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**RHODE ISLAND  
COLLEGE**

School of Social Work

*Welfare Reform Research Project*

*Rhode Island Family Independence Program Leavers'*  
*Study*

*A look at program participants  
two years after exiting  
the Rhode Island Family Independence Program*

by

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*May 2003*

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## **Acknowledgments**

There are so many people without whom this project would have been impossible to complete. First, we would like to thank the study participants who shared their experiences and opened their lives to the researchers. Their efforts, patience, and continued interest in this study enabled us to conduct this study. Secondly, we would like to thank the researchers who authored the two previous Leavers reports-- Kelly Nason, Erin Nientimp, Amy Shauble, Stephanie Ryan, and Lea Lockwood. Your thoughtful contributions to this project were a much-appreciated support during the course of our study.

Next we would like to thank the many research assistants at the Rhode Island College School of Social Work Welfare Reform Research Project for their time and determination, especially Tina Shaw for her support and laughter. We are so grateful for the calm and patient support of Dr. John Riolo, without whom we would still be having computer problems! We would like to thank Betty Mongeau for her hundreds of contributions throughout the course of this research project.

The Rhode Island Department of Human Services has been extremely supportive and helpful in providing the administrative data needed. Many thanks to Sherry Campanelli, Associate Director, Randy Rosati, MIS Chief, Tim Kemmy, Principal Policy Analyst, and the Rhode Island Welfare Reform Implementation Task Force Evaluation Sub-Committee members. Their information, contributions and feedback were vital in the completion of this project.

Many thanks to our families. Their support and understanding have been a priceless contribution throughout the course of this study.

Finally, a very special thank-you to our professor, Mary Ann Bromley. It has been an honor to work along side of a woman with such vision and energy for welfare research and reform. She has been a constant presence in our two-year journey at Rhode Island College, inspiring, challenging, and supporting our process at every step. Your insight and sense of humor have been so appreciated.

## **Abstract**

This research report is the final segment of a longitudinal study conducted by the Rhode Island College School of Social Work Welfare Reform Research Project. It was funded by the Rhode Island Department of Human Services and the United Way of Southeastern New England. This longitudinal study tracks a random sample of “leavers” of the Family Independence Program (FIP) who have left cash assistance for a minimum of two (2) months. The purpose of this study is to investigate the economic well being, employment, family well being, and child well being of leavers two years after they have exited FIP cash assistance.

The following research is based on data gathered between October 2000 and September 2002 from a random sample of 135 research participants. This study compares yearly and seasonal data from a longitudinal study. Participants in the research study were contacted quarterly for updates on the status of their economic and financial well being, during the first year of the study, and then bi-annually during the second year, for a total of six interviews. Telephone and written interviews were conducted in English and Spanish at each time period after the participant’s exit from FIP. Case record reviews based on administrative data at the Department of Human Services were also done for each of the 135 leavers. This study incorporated specific design standards in accordance with the United States Department of Health, Education and Welfare, Office of the Assistant Secretary for Planning and Evaluation (ASPE) guidelines in order to enhance national and cross-state comparisons.

The findings of this research present a mixed picture of how leavers are doing two years after they have left FIP. The number of respondents receiving FIP increased from

three months after exit to two years after exit from FIP. There was also an increase in total monthly household incomes with employed participants earning more than their unemployed counterparts. At three months after exit from FIP, participants were earning a total monthly household income of \$1,555.80, and at the two-year mark, participants were earning \$2,014.60. The number of employed participants showed a significant drop of 13.3 percentage points from three months after exit from FIP to the two-year mark. This study also found a significant correlation between education levels at baseline and hourly wages at the two-year mark. Respondents who completed an Associate's degree or higher made an average of \$15.00 per hour, while respondents with a high school diploma made \$9.32 an hour.

The majority of study participants reported high satisfaction levels two years after exit from FIP in regards to their employment situations and the quality of their lives in general. These satisfaction levels were consistent with their satisfaction levels at the three-month mark. At the two-year mark, leavers also reported high satisfaction in relation to child well being indicators such as their relationship with their children, their children's performance in school, and the overall quality of their children's lives. Again, these satisfaction levels were consistent with the results three months after exit from FIP.

These findings are important as researchers, legislators and welfare beneficiaries continue to question what programs and services work best for successful FIP outcomes. The findings of this study suggest that FIP leavers are struggling to maintain employment during times of economic challenge. These researchers recommend the continued search for creative solutions to address and assist marginally employed, low-income wage earners before they need to re-cycle back onto FIP.

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### **Problem Statement**

With the impending reauthorization of Temporary Assistance to Needy Families (TANF), it becomes increasingly important to examine how welfare reform affects those individuals and families who utilize, and then leave the welfare system. TANF replaced Aid to Families with Dependent Children (AFDC) in August 1996, when the enactment of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) created fixed state block grants (Lockwood & Ryan, 2002). This system replaced AFDC, and was designed to guide people from welfare to work with the primary objective being the reduction of welfare caseloads (Christner, 2002). TANF allowed states a lot of freedom to design and implement their own welfare systems in ways that would address each state's unique circumstances (Nason, Nientimp & Schauble, 2001).

Rhode Island designed its own welfare reform program called the Family Independence Program (FIP). This program was implemented on May 1, 1997. While other states emphasized a "work first" philosophy and reduction in welfare benefits, Rhode Island emphasized education and training as a first step towards independence from FIP (Christner, 2002). Rhode Island also added benefits designed to enhance family supports such as a more generous earnings disregard, childcare subsidies, and health insurance (Christner, 2002). In May of 2002, Rhode Island reached its five-year anniversary with FIP. At this point, it is important to examine and understand how FIP has worked and continues to work for former and current Rhode Island welfare beneficiaries.

### **Importance of the problem and study**

This study monitored the progress of “leavers,” or individuals who left the FIP welfare system during the months of July, August, and September of 2000, and remained off of it for a minimum period of 60 days. Outcomes have been tracked in five core areas: economic well being, education and training, employment, child well being and family well being. Several recent studies report that leavers are doing better than individuals who remained on FIP (For example, see Bromley, 2001; Acs & Loprest, 2001). Bromley (2001) reports that Rhode Island leavers claim greater satisfaction with the overall quality of their children’s lives. She also reports that leavers earned a higher average monthly household income than stayers. While these reports are encouraging, the system is by no means perfect. There are still ample concerns that have implications for TANF reauthorization. This study addresses both the encouraging and concerning information collected from the five focal areas, mentioned above.

### **Employment and economic well being**

The most recent U.S. recession began in March of 2001 (Pare, 2002). In a recession, often defined as two consecutive quarters of decline in the GDP, the level of production declines, unemployment rises and consumer spending decreases. A study by Kim (2000) suggested that economic recessions might have a large negative effect on job opportunities for welfare recipients. This effect can be seen when looking at data collected during the 1990 recession, which had an especially strong effect on the Northeast and California. The recession reduced employment opportunities for low-income women because of its effects on service industries (Providence Journal, 2000).

A study by Witte (2001), using econometric modeling techniques suggests that Rhode Island's economy is cyclical. Service occupations, which are often affected by cyclical changes, were the most frequently reported type of employment one year after exit from FIP (30.3%) (Lockwood, Ryan, 2002). In 2002 in RI, the months of June, July, August and September saw steady job losses. In September alone, the service sector lost 700 jobs (Arditi, 2002).

In a study by Bromley (2001), participation in employment by all study respondents had increased by 18.7 percentage points, from 21.9 percent at baseline to 40.6 percent one-year later. Respondents who had left FIP were significantly more likely to be employed (86.1%) than those who remained on FIP (29.2%). Leavers also worked significantly more hours per week (35 hours) than stayers (26.5 hours). The Bromley study covered the period of time from February 1998 through October 2000.

This study explores the average hours worked as well as employment history of respondents two years after exit from FIP. In addition to examining the extent to which leavers have returned to FIP at the second year after exit mark, this study explores how leavers are faring in terms of employment rates, hourly wages, total household income, and housing expenses. Food stamp status over time was also studied. The findings of this study are discussed in the context of current economic trends.

### **Education and training**

Rhode Island has a unique approach towards handling the gap between unskilled workers and the jobs available. Instead of pushing beneficiaries into any available job, FIP supports parents to participate in education and training for a maximum of 24 months

of their employment plan (DHS Annual Report, 2001). The finding from a recent study that looked at education and training programs that operated between 1985 and 1999 supports this approach. The study looked at work first, training first and mixed programs and found that the best results came from mixed programs that allowed people to either start a job search right away or to be involved in training and education while still receiving cash assistance (Bloom & Michalopoulos 2001). Rhode Island's FIP can be categorized as a mixed approach.

According to Bromley's findings in a five-year longitudinal study conducted in Rhode Island (2002), those who received vocational, skills or post-secondary education as part of their FIP plan were significantly more likely to be off FIP at three years after their baseline measure than those participants without this education or training (72% v. 48%;  $p < 0.000$ ). They were also significantly more likely to be above the Federal Poverty Level (46% v. 28%;  $p < 0.014$ ) with average hourly wages of \$10.31 and \$8.56 respectively. This difference in average hourly wage was also statistically significant ( $p < 0.004$ ).

### **Family well being**

FIP was designed to enhance income and family supports as well as childcare and health care entitlements (Bromley, 2001). This study examines these issues and explores how families are faring five years after its implementation. Several variables that affect family well being included in this study are food security, job satisfaction, housing satisfaction, and employer benefits such as health care and sick leave. Qualitative data regarding respondents' satisfaction with life in general were also collected.

Ryan and Lockwood reported in their 2002 Rhode Island Leavers' Study that, overall, people were very satisfied with their life in general. According to the results of their research, 85 percent of respondents reported they were either very or somewhat satisfied with the quality of their life in general. In addition Ryan and Lockwood report that leavers were receiving employer benefits such as health care, paid vacation and sick leave. Compared with a recent national study (Loprest, 1999) which reported that most former welfare recipients found employment without any benefits, the Ryan and Lockwood study shows Rhode Island leavers are faring better in terms of receiving employer benefits such as healthcare (31.3%), sick leave (43.8%), and paid vacation (51.6%). This study examines the percentage of leavers receiving these fringe benefits from their employers two years after exit from FIP.

Finding and maintaining affordable housing continues to pose a challenge for many Rhode Islanders. This study investigates leavers satisfaction levels with their current housing situation as well as their ability to keep current with their monthly housing costs.

This study examines food security as well as food entitlement programs, such as free or reduced school lunch and free or reduced school breakfast. It also examines food stamp utilization among respondents two years after exit from FIP.

### **Child well being**

This study investigates child well being in terms of childcare, parents' satisfaction with their relationship with their children, and parents' satisfaction with their children's performance in school and life in general. The guiding principle of welfare reform in

regards to children is that “poor children should be no worse off than they were before welfare reform” (DHS, Annual Report, 2001). Recent studies of welfare reform in the United States report that lack of reliable childcare is a major barrier to parents’ ability to find reliable and full-time employment (Wilkins, 2002). In Rhode Island, Bromley reports that 17 percent of leavers reported childcare problems as a barrier to finding employment, and 37 percent of stayers reported finding reliable childcare as a barrier to employment (2002). Given the emphasis Rhode Island places on employment and training, it is important to investigate the extent to which childcare remains a barrier to employment. Bromley reports that Rhode Island leavers fare better than FIP stayers in their perceptions about their overall satisfaction with their children’s quality of life. It is interesting to note that of ten child well being indicators, this was the only one where there was a statistically significant difference between leavers and stayers. The same findings held true when the differences between employed versus non-employed respondents were examined (Bromley, 2001). Bromley (2001) also found that 72 percent of leavers reported they were very satisfied with their children’s school performance at the one year after exit mark.

According to the Children’s Defense Fund, Rhode Island has the lowest percentage of children (4.5%) without health insurance in the country (2002). In addition, the CDF states that Rhode Island rates number one in terms of early pre-natal care, citing that 91.3 percent of women receive early pre-natal care (2002). Although this information suggests that children are faring better under Rhode Island’s welfare reform in comparison to other states, Bromley reports in her longitudinal study that parent’s overall satisfaction with their children’s quality of life had experienced a “slight but



statistically significant decrease” from 94.7 percent to 91 percent over the course of one year (2002). In light of this collective information, and in light of the current economic and political climate, it is valuable to analyze the variables provided in this project to ensure that child well being indicators remain at a high level in Rhode Island.

### **Conceptual framework**

The questions that guided this research project are: What has happened to Rhode Island Family Independence Program participants two years after they have left FIP? Do they stay employed? What are their satisfaction levels? If they are no longer receiving FIP cash assistance and no longer working, how are they making ends meet? Are they receiving supplemental supports such as childcare subsidy, food stamps, health insurance (Rite Care)?

The framework for this research project is based on the United States Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation (1999) guidelines for commonly reported administrative data outcomes for leavers. In addition, single-parent and two-parent households are included. Cases which were child-only cases at the time of leaving FIP (quarter of exits) were excluded from this study. The first quarter after exit refers to the first three months after the case closing action was taken (in July, August or September of 2000). The following is a list of the quarters after exit and their corresponding months:

1. First quarter after exit (three month mark): October, November, December 2000
2. Second quarter after exit (six month mark): January, February, March 2001

3. Third quarter after exit (nine month mark): April, May and June 2001
4. Fourth quarter after exit (one year mark): July, August and September 2001
5. Sixth quarter after exit (eighteen month mark): January, February and March 2002.
6. Eighth quarter after exit (two-year mark): July, August and September 2002

In this paper, a “leaver” is defined as those cases that leave cash assistance and remain off cash assistance for a minimum of two months. It includes cases that closed for two months but subsequently re-opened. The following is a list of variables that are included in this research project.

- **Economic well being:** Number of active FIP beneficiaries, reasons for returning to FIP within two years after exit, total monthly household income, financial satisfaction, number of respondents above the Federal Poverty Level, sources of income for unemployed non-FIP participants, and housing expenses.
- **Employment:** Employment status, employment history, average hours worked per week, hourly wage, pay increases, types of employment, and barriers to employment.
- **Child well being:** Satisfaction levels with their relationship with children, satisfaction levels with how children are doing in school, satisfaction levels with the quality of their children’s lives, types of childcare, child care co-payment amounts, whether or not they receive a childcare subsidy.

- **Family well being:** Overall satisfaction levels with life in general, as well as satisfaction levels with healthcare, housing, and food security, and overall satisfaction with job, job benefits, confidence in obtaining employment, and confidence job will support family. These items were examined in light of their influence on overall family well-being.

## **Methods**

### **Research Design**

This research study utilizes an exploratory and descriptive design to examine welfare reform in Rhode Island. It is based on the experiences of a random sample of persons who exited the Family Independence Program (FIP) during the period of July 1, 2000 through September 30, 2000 and were followed for a period of two years.

Participants in the research study were contacted periodically for updates on the status of their economic and financial well being.

This research study includes telephone interviews and case record reviews from a random sample of 135 former beneficiaries of FIP. At the time of the final interview (two years after exit from FIP), there were 98 interviewed respondents (72.6% of the original sample of 135). Trained interviewers and research assistants conducted interviews. Interviewers and research assistants signed “Statement of Agreement” forms to ensure confidentiality of FIP “leavers,” as mandated by DHS. The signed confidentiality agreement, coupled with the participants’ informed consent, allowed the researchers access to each participant’s electronic case record (INRHODES data file).

Each participant's Case Record Review and TANF/FIP Leavers Interview Instrument was assigned a code number by the research team. No names or other identifying data are indicated on any of the data collection forms in an effort to further protect the confidentiality of each participant.

Before the start of each phone interview, the interviewer reviewed the informed consent form with each participant. With the participant's consent, the interviewer signed the participant's name and initialed the form as a witness. The consent form originals are kept secure in a locked file at Rhode Island College School of Social Work. As an incentive for participation in the study each participant was given fifteen dollars for the first quarter interview, and twenty-five dollars for each of the second, third, fourth, fifth, and sixth quarter interviews in which they participated.

### **Sampling**

The unit of analysis included individuals in Rhode Island who left FIP during the months of July, August, and September of 2000 and remained off FIP for a minimum period of 60 days. The initial sampling procedure utilized for the study was random sampling. This sample was then contacted every three (3) months for the first year and semiannually the second year. A list of "leavers" was obtained from DHS INRHODES data files for each of the three sampled months. Each case was assigned a number to be used for identification and to protect confidentiality. Using a table of random numbers, 25 percent of the "leavers" per month were selected for the study via case number. Of the 383 total random sample, 135 participants completed the first quarter interview (35.2%), 52 participants were not interested (13.6%), 194 participants were unable to be

reached via mail or phone (50.7%), and two participants were child-only cases and therefore ineligible for this study (0.5%). Of this original sample of 135 participants in the first quarter, 98 (72.6%) participants completed the interview in the second quarter. In the third quarter, 106 (78.5%) participants completed the interview, and at the fourth quarter 107 (79.6%) participants completed the interview. For the fifth time period 105 participants (77.8%) completed the interview. At the final time period (two years after exit) 98 (72.6%) participants completed the interview.

### **Data Collection**

Data were collected in two ways: first, through a survey instrument and second through a review of DHS electronic case records (INRHODES computer file). The research team at the Rhode Island College School of Social Work Welfare Reform Research Project developed these instruments, with input from key informants at the Rhode Island Department of Human Services (DHS). In addition, knowledgeable Rhode Island welfare reform experts and advocates lent insight to the instruments. The interview instrument was field tested in October 2000 by twelve volunteers who had personal experience with FIP. Following the field testing trial, modifications were made to the instrument and finalized in November 2000. Since then, subsequent sections of this interview were modified from quarter to quarter to emphasize specific areas where the research team wanted more in-depth information.

Each interviewer was required to complete a one-hour training program by members of the welfare research team, prior to conducting their first interview. Two knowledgeable DHS staff members conducted the initial training in the use of the DHS

INRHODES system. These staff members have been available to the research team on an ongoing basis, as needed.

With careful attention to the development of the conceptual framework that guides this research study, the research team addressed the issues of content and construct validity of the questions from the instruments used in this study. Further, attempts were made to ensure an operational definition for each of the concepts used in the study, and to include an adequate sample of items that represent the variables of interest. In addition, several states (Minnesota, Alabama, and Illinois) were referenced with regard to the type of questions included on the TANF/FIP Leavers Interview Instrument. (These states were grant funded by the United States Department of Health and Human Services, and the office of the Assistant Secretary for Planning and Evaluation (ASPE) to conduct leavers research studies.)

Interview data were collected over six time periods. The first quarter after exit was the time period of October, November and December of 2000. The second quarter after exit included January, February and March of 2001. The third quarter after exit was April, May and June of 2001. The fourth quarter after exit (one-year mark) was the time period of July, August and September 2001. The fifth time period included January, February and March 2002 (one and a half years after exit). Finally, the sixth time period was July, August and September of 2002 (two years after exit). In addition background data were obtained from case record reviews for the quarter before exit and the quarter of exit. The data collection consisted of telephone interviews using the interview instrument appropriate for each quarter. Trained interviewers from the Rhode Island College School of Social Work conducted the interviews.

All initial interviews were done by phone. Researchers made numerous attempts to contact people by phone; however, if they could not be reached, the surveys were mailed. Data collection also included gathering information from each participant's electronic case file in the DHS /INRHODES system within three (3) weeks of the interview. Data were collected and recorded on a separate Case Record Review form. Besides English and Spanish there were no other languages represented in this sample. At times when language presented a barrier, the TANF/FIP Leavers Interview Instrument was conducted in Spanish.

### **Limitations of the Study**

Limitations of this study include the problems associated with data collection through telephone interviews. Respondents chosen through random sampling who did not have a telephone were automatically excluded from the study. Issues of history also affect the study's generalizability. For example, respondents were contacted for follow-up interviews at a minimum of two (2) months and a maximum of three (3) months after leaving FIP. Also, although instrumentation and the interview items used in the research study were used by other states, and based on ASPE guidelines, the specific Rhode Island instruments were never used for the first time in this study and some of the questions could have been better phrased. Other limitations were the possibility of respondents giving socially desirable answers, and the participants' bias to the knowledge that they were taking part in a study.

The possibility of researcher bias presented another potential limitation. Finally, for the few participants who were unable to be interviewed by phone and mailed in their

responses, the possibility exists that they misunderstood the questions and were unable to ask for clarification, or that their surveys were not entirely or correctly completed.

### **Ethical Issues**

The researchers took steps to address ethical issues that could potentially arise during the course of this study. The research protocol and informed consent procedures for welfare reform research were submitted and approved in October 1997 by the Rhode Island College Committee on the Use of Human Participants in Research. The welfare reform research protocol was also reviewed and approved by the Rhode Island Department of Human Services Division. During the instrument design and pre-testing stage, questions were discarded that the research team and key informants perceived posing potential harm to the participants.

Researchers were also critically concerned with confidentiality. The confidentiality of each participant's data was maintained by assigning a number to his or her case information. Researchers maintained separate locked files for all forms containing any identifying information (i.e., informed consent forms and receipts for the interview stipend required by the college auditor).

### **Plan of Analysis**

Bivariate analyses were used to look at relationships between a number of the key variables under study and the overall question about the well being of leavers in relationship to employment, economic well being, child well being, and family well being. The Wilcoxon, Chi-square, and t-tests were chosen to examine changes among



responses at the different times of interview. Analysis of variance (ANOVA) was utilized to make comparisons between employed and unemployed respondents at the two-year mark.

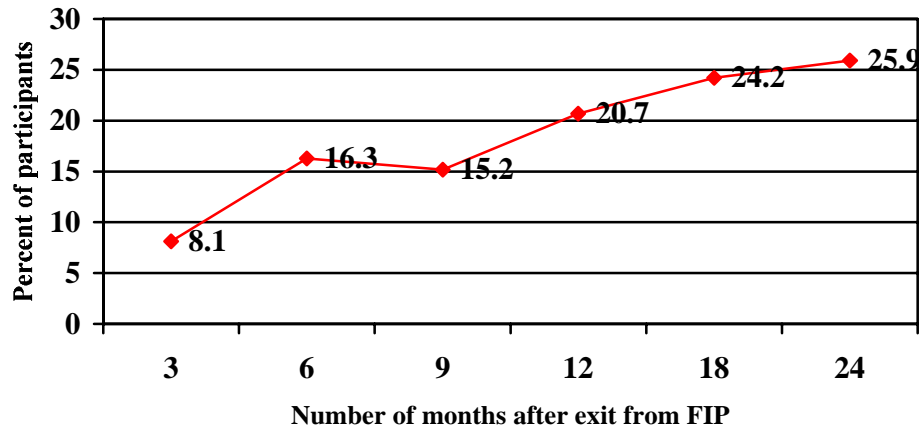
## **Results**

### **Economic well-being**

**Active FIP beneficiaries:** As can be seen in Chart 1, the percentage of leavers who returned to FIP has increased over time. The largest percentage increase took place between three months after exit and six months after exit from FIP (Fall of 2000 to Winter of 2001) ( $\chi^2=27.003$ ,  $p < 0.00$ ), and the second largest between nine and 12 months after exit (Spring of 2001 to Summer of 2001) ( $\chi^2=35.688$ ,  $p<0.00$ ). A change in active FIP status is also evident when comparing one year after exit to the two-year mark (July, August, and September of 2001 to July August, and September of 2002). Of the 35 respondents who were receiving FIP in Rhode Island two years after exit from FIP, the majority (51.4%; 18 out of 35) was also receiving FIP one year earlier. The remainder of this same sub-sample (48.6%; 17 out of 35) was on FIP at the two-year mark but were not on FIP one year earlier. These changes in active FIP status were statistically significant ( $\chi^2=27.068$ ,  $p<0.00$ ).

**Chart 1**

**Active FIP beneficiaries over time**



Three months after exit (October to December 2000), 11 out of 135 participants (8.1%) had returned to FIP. Two years after exit (July, August, September 2002), 35 out of 135 (25.9%) participants were on FIP. As can be seen in Table 1 on the following page, 94 participants (69.6%) were not on FIP at either time period, and five respondents (3.7%) were receiving FIP at both time periods. Although the smaller percentage point change between one and two years after exit from FIP was statistically significant, it should be noted that the changes in FIP status between three months after exit and two years after exit were not found to be statistically significant ( $\chi^2=2.38$ ,  $p>0.15$ ).

**Table 1**

**Active FIP beneficiaries: A comparison between 3 months and 2 years after exit from FIP**

		2 years after exit: Receiving FIP		Total
		No	Yes	
3 months after exit: Receiving FIP	No	94 69.6%	30 22.2%	124 91.9%
	Yes	6 4.4%	5 3.7%	11 8.1%
Total		100 74.1%	35 25.9%	135 100.0%%

Chi-Square = 2.38,  $p > 0.15$

A Wilcoxon Signed Ranks Test was done in order to better understand why the Chi-Square test showed no statistically significant increase when the three-month mark and the two-year mark were compared (see Chart 1). The Wilcoxon Signed Ranks Test allows the researcher to examine the “relative *magnitude* as well as the direction of the differences” between the two time periods (Siegel, 1956, p. 75). As can be seen in Table 2, 99 respondents’ FIP status was the same three months after exit as it was two years after exit. Thirty respondents who were receiving FIP at the two-year mark were not receiving FIP at the three-month mark, and six respondents who were receiving FIP at three months after exit were not receiving it at two years after exit. These changes are statistically significant ( $Z = -4.000$ ,  $p < 0.00$ ).

**Table 2**

**FIP status: Direction of change between three months and two years after exit from FIP**

	N	Mean	Sum of
Negative	6 <sup>a</sup>	18.50	111.0
Positive	30 <sup>b</sup>	18.50	555.0
Ties	99 <sup>c</sup>		
Total	135		

a. Not receiving FIP two years after exit, but receiving FIP three months after exit

b. Receiving FIP two years after exit, but not receiving FIP three months after exit

c. FIP status same at both three months and two years after exit

**Z=-4.000, p<0.00**

**Reasons for returning to FIP two years after baseline:** Of the study participants who returned to FIP and answered the question about reasons for returning to FIP, the most frequently reported reasons for returning to FIP included loss of job (60.0%), experienced a medical crisis (40.0%), and experienced a family crisis (25.0%). See Table 3.

**Table 3**

**Reasons for returning to FIP: Two years after baseline**

<b>Reasons for returning to FIP</b>	<b>Yes</b>	<b>No</b>
Loss of Job	60.0% (12)	40.0% (8)
Experienced a Medical Crisis	40.0% (8)	60.0% (12)
Experienced a Family Crisis	25.0% (5)	75.0% (15)
Childcare Problems	20.0% (4)	80.0% (16)
Needed Health Care Coverage	20.0% (4)	80.0% (16)
Became Pregnant or Had a Baby	20.0% (4)	80.0% (16)
Decreased Work Hours	15.0% (3)	85.0% (17)
Transportation Problems	15.0% (3)	85.0% (17)
Went to School	10.0% (2)	90.0% (18)
Loss of Support from Spouse or Partner (through divorce or separation)	10.0% (2)	90.0% (18)
Other	(2)	

**Total monthly household income:** For the 95 participants interviewed at both three months after exit from FIP and two years after exit from FIP, the average monthly total household income, including all sources, was \$2,014.67 at the two-year mark and \$1,555.89 at the three-month mark. This is a statistically significant increase of \$458.78

( $p < 0.01$ ). Thirty-four people had a total household income that was lower at two years after exit than at three months, while 61 people had an increase in total household income during this same time period.

**Table 4**

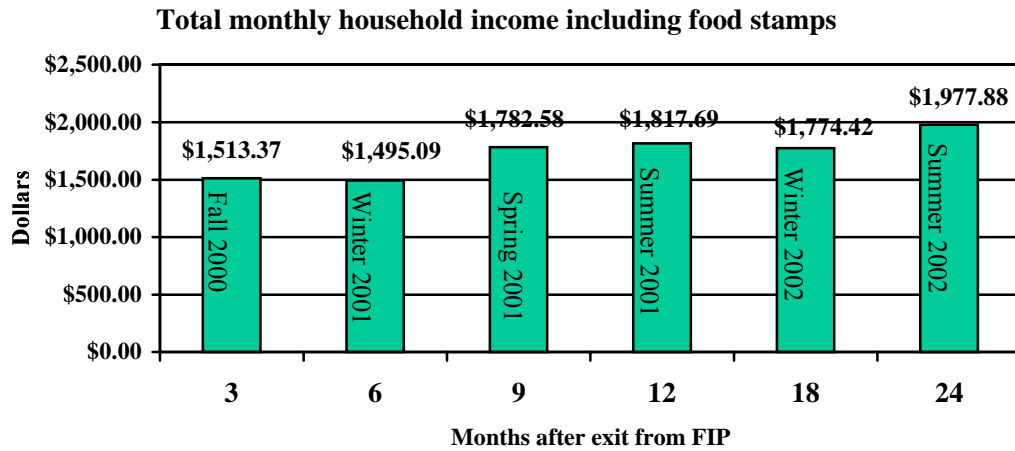
**Total monthly household income (all sources): A comparison between time one and time six**

	N	Mean	Std. Deviation
3 months after exit	95	\$1,555.8	\$1,068.6
2 years after exit	95	\$2,014.6	\$1,671.0

$$Z = -2.543, p < 0.01$$

While the total monthly household income has increased during the two years of the study, some fluctuations can be seen in Chart 2, page 32. There are statistically significant differences in income between the winter of 2001 and the summer of 2001 ( $Z = -2.854, p < 0.00$ ), and between the winter of 2002 and the summer of 2002 ( $Z = -2.330, p < 0.02$ ), with the higher monthly average incomes during the summer months. While there is a small decrease in total monthly household income including food stamps from summer of 2001 to the winter of 2002, this change is not statistically significant ( $Z = -.928, p > .353$ ).

**Chart 2**



**Total household income: employed versus unemployed two years after exit from**

**FIP:** Two years after exit from FIP, employed participants had an average household income (including all sources) of \$2,577.97, while unemployed participants had a total household income of \$1,241.40, a statistically significant difference of \$1,336.57. See Table 5, below.

**Table 5**

**Total monthly household income two years after baseline (time 6): Employed versus unemployed**

	N	Mean	Std. Deviation	Minimum	Maximum
Unemployed	44	\$1,241.40	\$1,052.59	\$0	\$4,644
Employed	54	\$2,577.97	\$1,822.10	\$714	\$10645
Total	98	\$1,977.88	\$1,658.83	\$0	\$10645

F=18.595, p<0.00

**Sources of income for unemployed non-FIP participants:** Two years after exit from FIP, the majority of respondents in this study (53.1%) were employed and not receiving FIP payments. However, of the non-employed group of participants, 24.5 percent (24 out of 98) were also not working. The most common sources of income reported for these non-employed and non-FIP participants were earnings from a partner and earned income tax credits (45.8% each).

**Table 6**

**Sources of income for unemployed non-FIP participants (N=24)**

<b><u>Sources of Income</u></b>	<b><u>% of Participants</u></b>
Partner's Earnings from Employment	45.8% (11)
Earned Income Tax Credit	45.8% (11)
Food Stamps	25.0% (6)
SSI Income	16.7% (4)
Unemployment Insurance	12.5% (3)
Fuel Assistance	12.5% (3)
Receiving TANF from Another State	12.5% (3)
Child Support	8.3% (2)
TDI Payment	8.3% (2)
Social Security Income or SSDI	4.2% (1)
Military Reserve Income	4.2% (1)



A descriptive question asked participants in the study to indicate how they provided for their families and themselves if they listed that they had no reliable source of income. Eight participants responded to this request. Four of these respondents (50%) reported that they were subsisting with help from family members. Two respondents (25%) reported that they were waiting either to re-apply, or to see if they qualified for FIP. One respondent (12.5%) was living with a roommate who split the bills, and the final respondent (12.5%) was receiving help from his/her church.

**Number of respondents, based on family size, with household incomes above the Federal Poverty Level:** As can be seen in Table 7, 61.1 percent of respondents had total household incomes including food stamps that were above the Federal Poverty Level (FPL) two years after exit from FIP. Less than half of all respondents (40 out of 95; 42.1%) had incomes that placed them above the Federal Poverty Level at both three months after exit and two years after exit from FIP. Twenty percent (19 out of 95) had incomes below the federal poverty level at both time periods. There was a statistically significant association between being above the FPL at three months and two years after exit from FIP ( $p < .04$ ).

**Table 7**

**A comparison between 3 months and 2 years after exit from FIP in relation to Federal Poverty Level (FPL)**

		Two years after exit		Total
		Below FPL	Above FPL	
Three months after exit	Below FPL	19 20.0%	18 18.9%	37 38.9%
	Above FPL	18 18.9%	40 42.1%	58 61.1%
Total		37 38.9%	58 61.1%	95 100.0%

Chi-Square = 3.921,  $p < 0.04$

Three-quarters (75.0%) of participants who were not receiving FIP two years after exit were above the FPL. One participant (4.5%) receiving FIP during this time period had an income above the Federal Poverty Level.

**Table 8**

**FIP status in relationship to Federal Poverty Level (FPL): Two years after exit**

		Currently receiving FIP		Total
		No	Yes	
Below FPL		19 25.0%	21 95.5%	40 40.8%
	Above FPL	57 75.0%	1 4.5%	58 59.2%
Total		76 100.0%	22 100.0%	98 100.0%

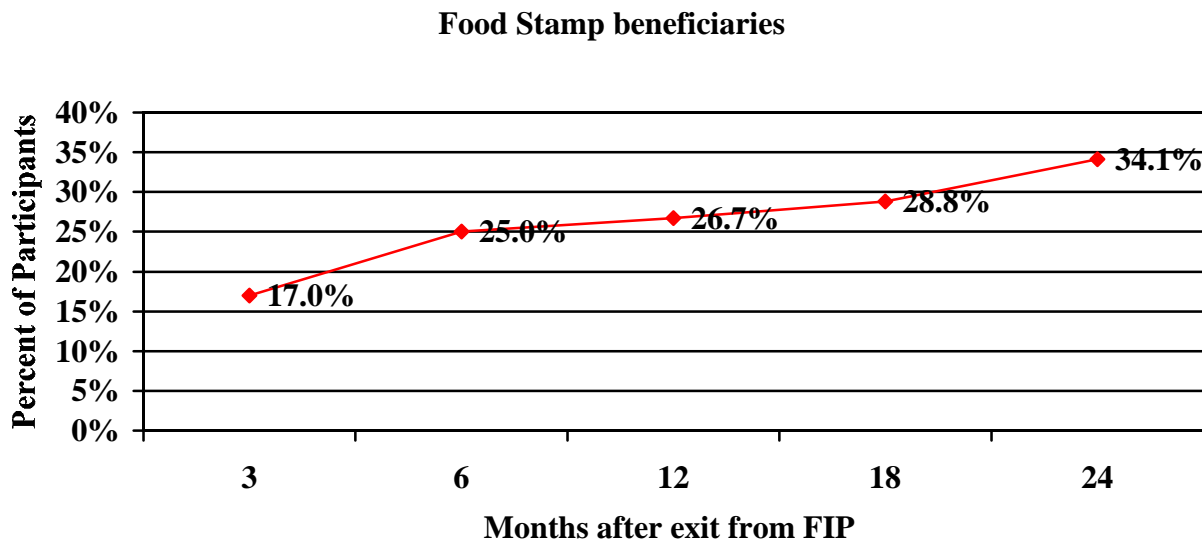
Chi-Square = 35.058,  $p < 0.00$

For those participants whose total household income was below the federal poverty level two years after exit (38.9% of the sample), their average hourly wage was

\$7.53. For those whose income was above the federal poverty level during the same time period, the average hourly wage was \$11.54, a statistically significant difference of \$4.01 ( $p < .01$ ).

**Food Stamps:** Forty-six participants out of 135 (34.1%) were receiving food stamps two years after exit. At three months after exit, 17 percent of the study members were receiving food stamps (23 out of 135; based on administrative data). This is a statistically significant increase of 17.1 percentage points ( $\chi^2=6.219$ ,  $p < 0.01$ ). See Chart 2.

**Chart 3**



\* Unable to report data at nine-month mark due to data discrepancies.

**Housing expenses:** Two years after exit from FIP, the average monthly housing cost (rent/mortgage/room and board) for all participants was \$410.89. Twelve participants

reported no monthly housing costs. Of these twelve, five participants said they paid money towards utilities (including heat), with an average of \$155.60 reported.

Excluding the twelve participants who reported no monthly housing costs, the average amount reported was \$468.90. This figure rose to \$617.33 per month when utilities, including heat, were added. This amount is 31.2 percent of the total monthly household income including food stamps (\$1977.88) reported by participants two years after exit from FIP.

Thirty respondents out of 98 (30.6%) reported living in either subsidized, public, or section 8 housing. Half of these participants (50.0%) live in section 8 housing, 30.0 percent in subsidized housing, and 16.7 percent in public housing.

**Perceptions about financial situation:** Two years after exit from FIP, respondents were asked how they felt about their current financial situation as compared to three months prior. Ninety-eight respondents answered this question. Twenty-five (25.5%) responded that their current financial situation was better than it had been three months prior, fifty-three of the respondents (54.1%) answered that their current financial situation was about the same, and twenty respondents (20.4%) answered that their financial situation was worse than it had been three months prior.

### **Employment, Education and Training**

**Employment rates for participants: Comparison between three months after exit and two years after exit from FIP:** As seen in the Table 9, a total of 45 leavers (45.9%) were working at both three months after exit and two years after exit from FIP. Twenty-

two participants (22.4%) who were employed three months after exit from FIP were no longer employed two years after exit from FIP. Nine respondents (9.2%) who were not employed at the three-month mark were employed two years after exit from FIP and 22 respondents (22.4%) were not employed at either time period. This change in employment between three months and two years after exit from FIP was statistically significant ( $p < 0.000$ ).

**Table 9**

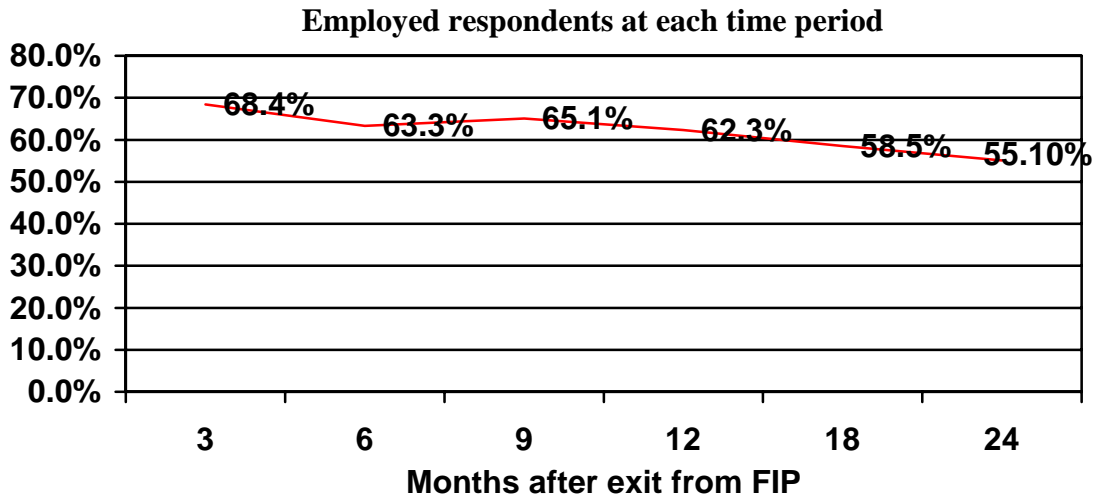
**A look at employed leavers three months after exit from FIP and two years after exit from FIP**

	Two years after exit from FIP: Currently working		Total
	no	yes	
Three months after exit from FIP : no	22 22.4%	9 9.2%	31 31.6%
Currently working yes	22 22.4%	45 45.9%	67 68.4%
Total	44 44.9%	54 55.1%	98 100.0%

$$X^2 = 12.456, p < 0.000$$

The number of employed respondents decreased from 67 out of 98 (68.4%) at the three months mark, to 54 out of 98 (55.1%) two years after exit from FIP. This change represents a 13.3 percentage point drop from three months after exit to two years after exit from FIP. These results are shown in Chart 4.

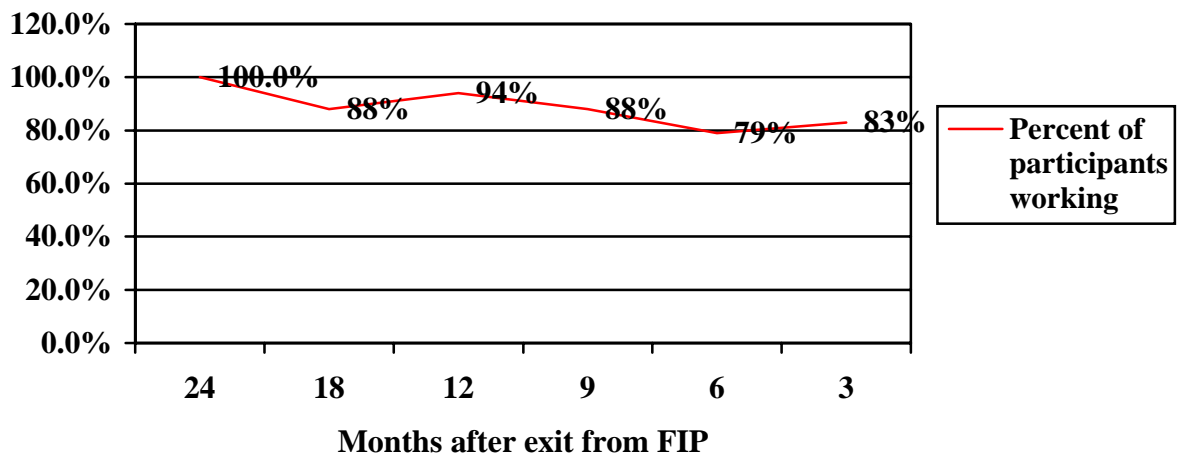
**Chart 4**



**Employment History:** Chart 5 represents the employment history of respondents who were employed two years after exit from FIP. The employment rates of respondents who were employed two years after exit from FIP fluctuated over the two-year period. Twelve months after exit from FIP the respondents' employment rate was at 94 percent. Six months after exit from FIP the respondents' employment rate was at its lowest, 79 percent. At nine months and eighteen months after exit the employment rate of the respondents was the same 88 percent.

**Chart 5**

**Employment History: Respondents who were employed two years after exit from FIP**



**Hourly wage at three months after exit from FIP and two years after exit from FIP:**

Forty-two employed respondents answered the question regarding their hourly wage at both three months and two years after exit from FIP. As shown in Table 10, respondents reported an average hourly wage of \$10.95 at the two-year mark. Three months after exit from FIP respondents earned a lower hourly wage of \$9.69. This \$1.26 difference represented a statistically significant change in hourly wage between the three-month and two-year marks ( $p < 0.00$ ). At two years after exit from FIP, seven respondents reported a decreased in hourly wages. Thirty-four participants at the two-year mark reported an increase in hourly wage from three months after exit. One participant reported the same hourly wage at both three months after exit and two years after exit from FIP.

**Table 10**

**Hourly Wages: Comparison between three months and two years after exit from FIP**

	Mean	N	Std. Deviation
Three months after exit from FIP	\$9.6924	42	\$3.7020
Two years after exit from FIP	\$10.9481	42	\$3.8476

$$Z = 3.655, p < 0.000$$

**Hourly wage for three months after exit and two years after exit from FIP**

		N	Mean Rank	Sum of Ranks
Two years after exit-Hourly wage	Negative Ranks	7 <sup>a</sup>	21.21	148.50
	Positive Ranks	34 <sup>b</sup>	20.96	712.50
Three month after exit-Hourly wage	Ties	1 <sup>c</sup>		
	Total	42		

a. Two years after exit from FIP Hourly wage < Three months after exit from FIP-Hourly wage

b. Two years after exit from FIP Hourly wage > Three months after exit from FIP-Hourly wage

c. Three months after exit from FIP-Hourly wage = Two years after exit from FIP Hourly wage

**Average hours worked weekly:** Forty-five employed respondents reported their average weekly hours worked when interviewed at both three months and two years after exit from FIP. Out of this group the average hours worked weekly at two years after exit was 36.9 hours, and the average number of hours worked at three months after exit was 37.24. This difference was not statistically significant ( $p > 0.86$ ). For fifteen respondents, the number of hours worked decreased from three months after exit to two years after exit, while for 20 respondents, the average number of hours worked per week increased. Ten of the 45 respondents worked the same number of hours per week at three months



after exit as they did at two years after exit from FIP. These results can be seen in Table 11.

**Table 11**

**Three months and two years after exit from FIP: Average hours worked**

	Mean	N
Three months after exit from FIP	37.24	45
Two years after exit from FIP	36.92	45

$$Z = 0.172, p > 0.86$$

**Average Hours worked three months after exit and two years after exit**

		N	Mean
Two years after exit	Negative	15 <sup>a</sup>	21.70
	Positive	20 <sup>b</sup>	15.23
Three months after exit	Ties	10 <sup>c</sup>	
	Total	45	

- a. Two years after exit from FIP Average weekly hours worked < Three months after exit-Average hours worked
- b. Two years after exit from FIP Average weekly hours worked > Three months after exit-Average hours worked
- c. Three months after exit-Average hours worked weekly = Two years after exit Average weekly hours worked

**Pay increase three months after exit from FIP and two years after exit from FIP:**

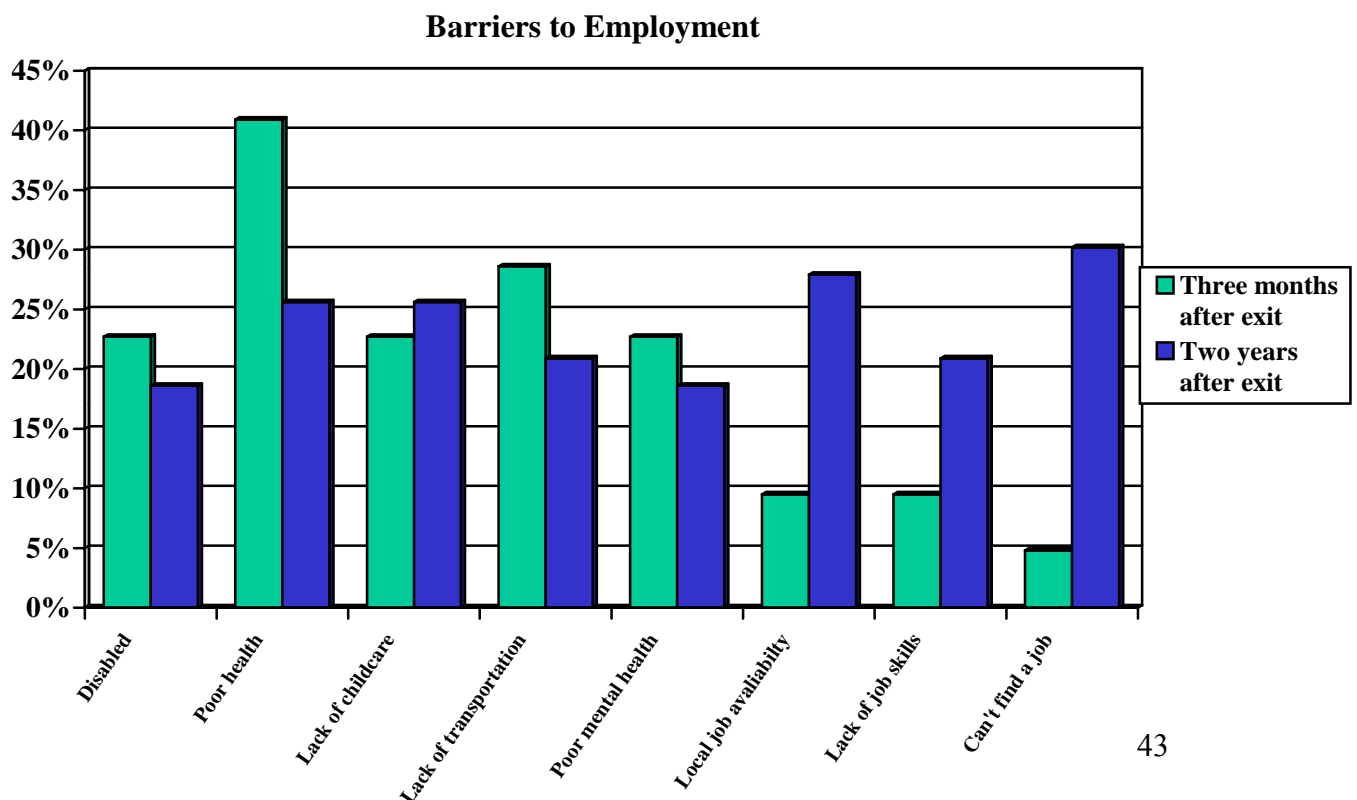
At both the three-month mark and the two-year mark, 45 respondents reported a pay increase since their last interview. There was no statistically significant difference in the average pay increase reported at these two time periods ( $p > 0.28$ ). The average pay increase reported was 43 cents per hour. At the two-year mark, 13 respondents reported

a decrease in their pay increase from three months after exit from FIP. There were 24 people who had the same pay increase at three months after exit and two years after exit from FIP.

### **Barriers to employment at three months after exit and two years after exit from**

**FIP:** The most frequently reported barriers to employment two years after exit from FIP were: “Can’t find a job or can’t find a better job” (30.2%; 13 out of 43), and “Local job availability” (27.9%; 12 out of 43). “Lack of childcare,” and “Unable to work due to poor health” were both reported at 25.6 percent (11 out of 43); “Lack of job skills,” and “Lack of transportation” both represented 20.9 percent (9 out of 43); “Disabled,” and “Poor mental health” both represented 18.6 percent (8 out of 43). These percentages can be seen in Chart 6.

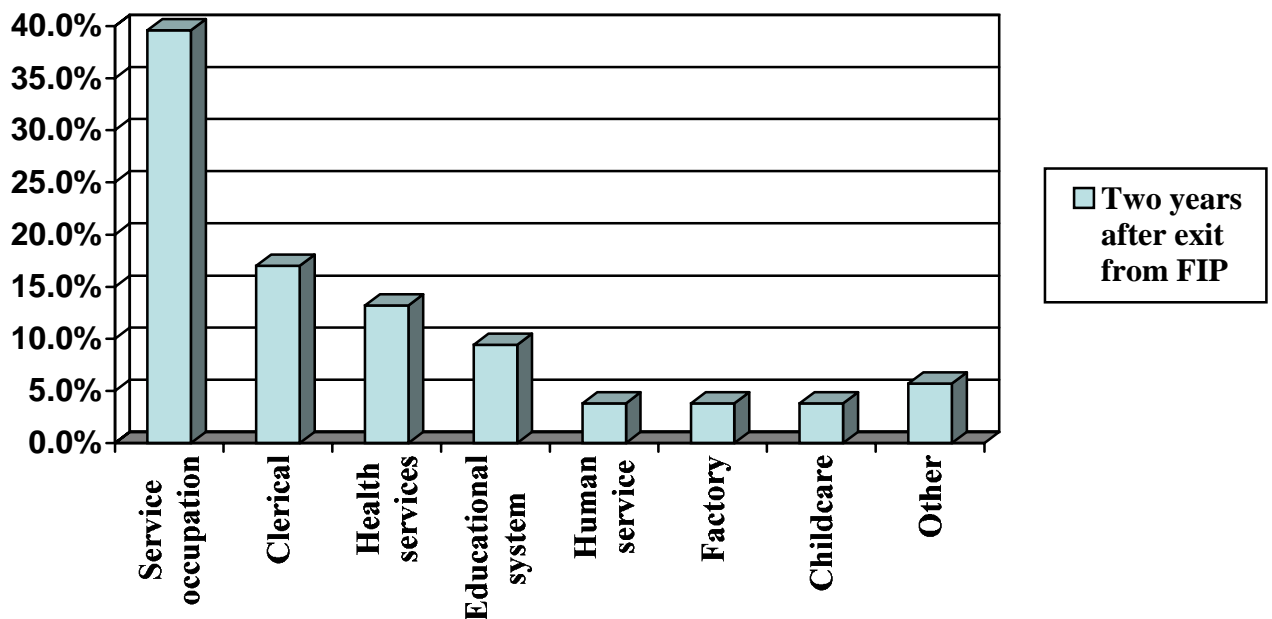
**Chart 6**



**Type of employment at two years after exit from FIP:** Over one-third of respondents (39.6%) reported service occupations as their type of employment at the two-year mark (21 out of 53). Nine respondents out of 53 reported they did clerical work (17.0%). Seven respondents out of 53 reported working in the field of health services (13.2%). Five respondents out of 53 reported working in the educational system (9.4%). Two respondents each reported working in human service work, factory work, or childcare (3.8% each). These percentages can be seen in Chart 7.

**Chart 7**

**Types of Employment Two Years after Exit from FIP**



**Education and Training:** When interviewed at the quarter in which respondents exited from FIP, 72 respondents reported their educational levels. Twenty-seven out of 72

(37.5%) reported that they had completed some college but did not have a degree. Two respondents out of 72 (2.8%) reported that they had received a bachelor's degree or higher. There was no statistical significance ( $\chi^2=1.49$ ,  $p> 0.68$ ) between baseline education level and whether or not respondents were employed two years after exit from FIP. These rates can be seen in Chart 8.

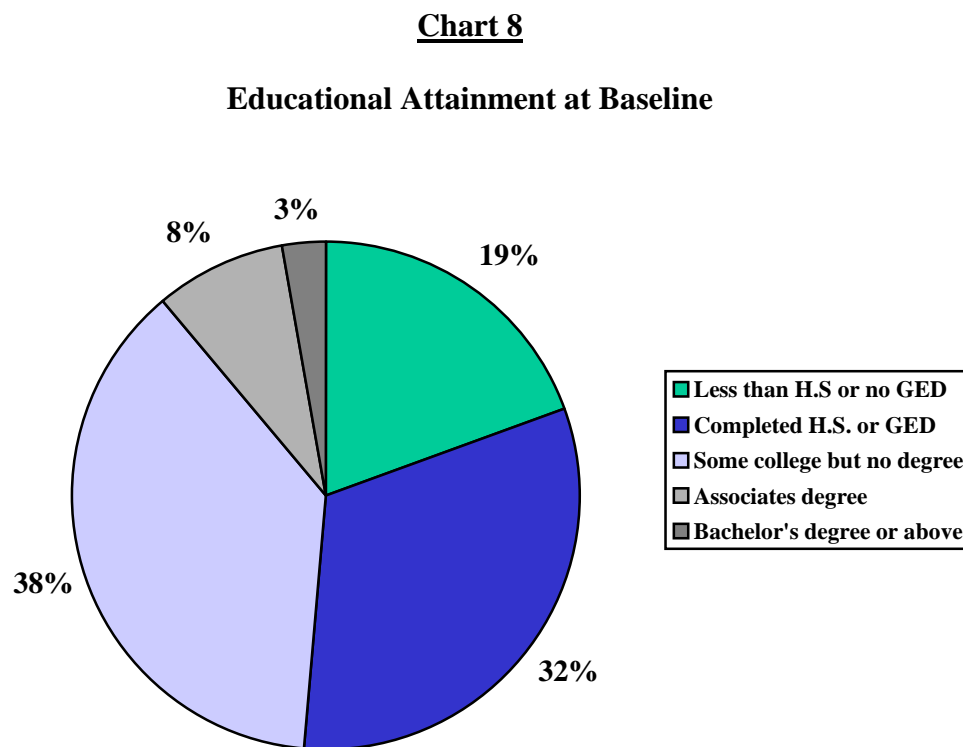


Table 13 on the following page, shows that higher education levels at baseline is associated with a higher hourly wage at the two-year mark ( $p<0.03$ ). The respondents who had an associates degree or higher at baseline made an average of \$15.00 an hour at

the two-year mark. The respondents who had a high school diploma made an average of \$9.23 an hour ( $p < 0.03$ ).

**Table 13**

**Hourly wage at two years after exit from FIP in comparison to educational level at baseline**

	N	Mean	Std. Deviation
< High school	5	\$9.350	\$1.353
High School or GED	11	\$9.230	\$2.247
Some college	8	\$10.016	\$2.436
AS or higher	4	\$15.037	\$6.724
Total	28	\$10.306	\$3.562

$F = 3.659$ ,  $p < 0.03$

### **Family well being**

#### **Satisfaction levels of employed participants three months after exit from FIP in**

**comparison to two years after exit from FIP:** When interviewed two years after exit from FIP, 92.6 percent of respondents (50 out of 54) reported that they were either very satisfied or somewhat satisfied with their current jobs. While no respondents reported being somewhat dissatisfied with their current job, four respondents out of 54 (7.4%) reported being very dissatisfied. These findings can be seen in Table 14.

**Table 14**

**Job satisfaction 2 years after exit from FIP**

	Frequency	Valid Percent
Very Satisfied	23	42.6
Somewhat Satisfied	27	50.0
Very Dissatisfied	4	7.4
Total	54	100.0

A paired sample t-test did not show a statistically significant change in the average level of job satisfaction between respondents who were employed at both 3 months and 2 years after exit from FIP ( $p>0.88$ ). At two years after exit from FIP, respondents on average were satisfied with their current jobs (mean=1.70 on a scale of one (very satisfied) to four (very dissatisfied)). At three months after exit respondents also reported that they were satisfied with their jobs (mean=1.68). These results can be seen in Table 15.

**Table 15**

**Overall satisfaction with job 3 months after exit from FIP and 2 years after exit from FIP**

	Mean	N	Std.
3 months after exit	1.68	47	.78
2 years after exit	1.70	47	.86

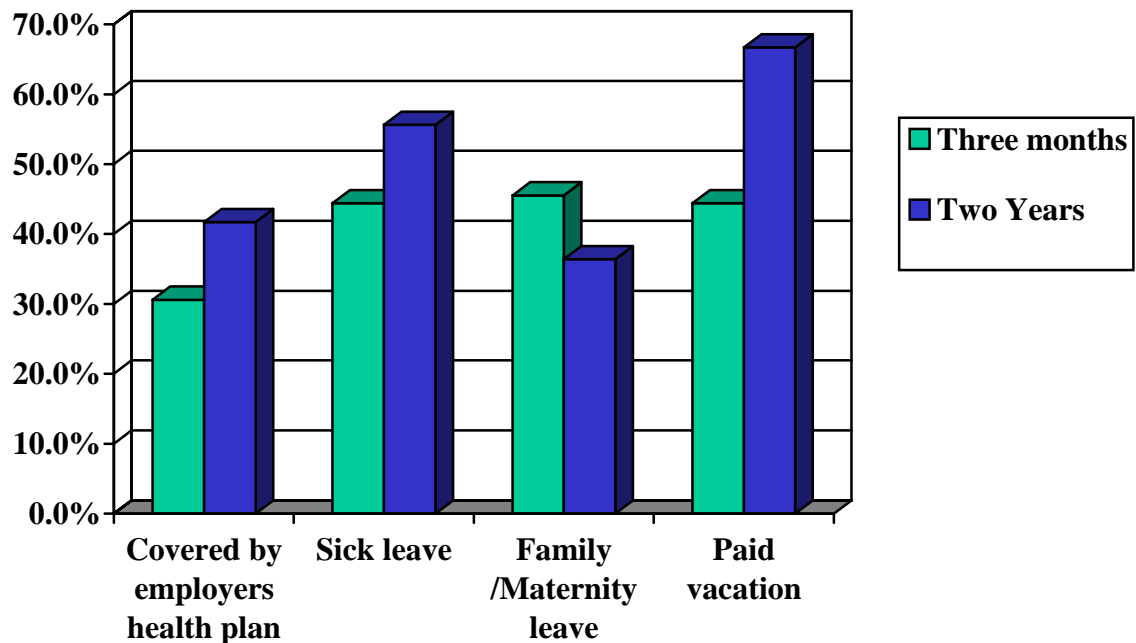
$t = 0.155, p > 0.88$

**Employer benefits:** This study asked participants if they received sick leave, paid vacation, maternity/paternity/family leave, and/or health insurance from their employers.

Chart 8 displays the percentage of employed participants in the sample who reported receiving each of these benefits at two years after exit and three months after exit from FIP.

**Chart 9**

**Employer Benefits: Three months after exit and two years after exit from FIP**



When analyzing the data from the 45 respondents who provided this information at both time periods, statistically significant differences emerged. With the exception of

paid vacation ( $\chi^2=2.880$ ,  $p>0.08$ ), there were statistically significant differences between the number of respondents who reported receiving these benefits from their employers at the three-month mark in comparison with the two-year mark. A Wilcoxon Signed Ranks Test was run to better understand the non-significant change in vacation benefits from three months to two years after exit from FIP. The Wilcoxon showed that in the majority of cases (27 out of 45) there was no difference between the two periods on this item. Four of the cases had lost vacation benefits at the two-year mark and 14 of the cases had gained vacation benefits at the two-year mark.

There was an 11.1 percentage point increase in the number of participants receiving sick leave from their employers from 44.4 percent at three months after exit from FIP to 55.6 percent at the two-year mark ( $\chi^2=5.513$ ,  $p<0.02$ ). The number of participants receiving maternity/paternity/family leave decreased by 9.1 percentage points between the three-month mark (45.5%), and two years after exit from FIP (36.4%) ( $\chi^2=5.503$ ,  $p<0.02$ ).

The number of participants covered by employer-sponsored health insurance increased by 11.1 percentage points from 30.6 percent at three months after exit to 41.7 percent at two years after exit from FIP ( $\chi^2=10.506$ ,  $p<0.00$ ). The majority of employed respondents (52.8%) were not covered by employer-sponsored health benefits at either three months or two years after exit from FIP. A quarter of these participants (25 %) were receiving health insurance through their employers at both time periods.

Almost half of the employed leavers at the two-year mark (47.2%;  $n=25$ ) were receiving RItE Care as their only health insurance. One person (1.9%) reported receiving both RItE Care and health insurance from their employer. Approximately one-third of



employed leavers at the two-year mark (32 %; n=17) had employer-sponsored health care as their only health care insurance and ten employed respondents (18.9%) reported that they did not have any health insurance. In contrast, 85.7 percent of those who were not employed at the two-year mark were receiving RItE Care (n=36). Three of the unemployed respondents (7.1%) reported that they had no health insurance. An additional two unemployed respondents were covered by their spouses' health insurance (4.8 %) and one person had private insurance (2.4 %).

**Current job provides adequate income to support you and your family:** Of the 54 respondents who answered this question, the majority (64.8 %; n=35) felt that their current job provided adequate income to support their family. Nineteen respondents (35.2%) felt that their current job did not provide adequate income. (See Table 16).

**Table 16**

**Perceived adequacy of current employment for family support:  
Two years after exit from FIP**

	Frequency	Percent
No	19	35.2
Yes	35	64.8
Total	54	100.0

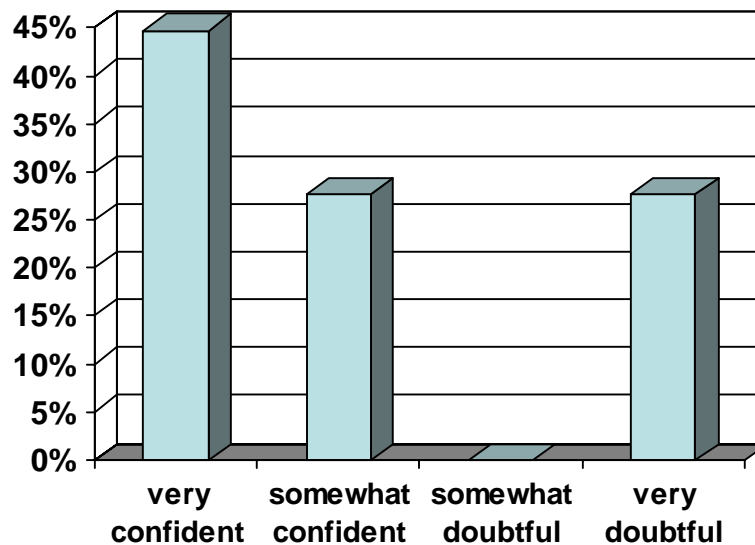
**Confidence in obtaining employment two years after exit from FIP:** Of the 44

respondents who were unemployed two years after exit from FIP, the highest percentage (44.7%) said that they were “very confident” that they would obtain employment. None

of the respondents reported being “somewhat doubtful” in their confidence in obtaining employment. An equal percent of participants (27.7% each) said that they were either “somewhat confident” or “very doubtful” that they would obtain employment. A paired sample t-test did not show a statistically significant change in respondents’ confidence levels in obtaining employment between three-months and two years after leaving FIP ( $t=-1.191$ ,  $p>0.25$ ). Chart 10 shows the confidence spectrum two years after exit.

**Chart 10**

**Confidence in obtaining employment 2 years  
after exit from FIP**



**Barriers to employment that affect family well-being:** Two years after exit from FIP, one-quarter of respondents (25.6%) cited poor health as a barrier to employment. Other barriers to employment that affect family well being were; lack of transportation (20.9%

9 out of 43), disabled (18.6% 8 out of 43) and poor mental health (18.6% 8 out of 43), (25.0%). See Chart 6 on page 42.

**Reasons for returning to the Family Independence Program (FIP) that pertain to**

**family well-being:** When interviewed two years after exit, 40 percent (8 respondents out of 20) reported that they experienced a medical crisis that caused their return to FIP.

Twenty percent (4 respondents out of 20) cited the need for health care coverage as the reason for returning to FIP. Twenty-five percent (5 respondents out of 20) reported that a family crisis was their reason for returning to FIP. Fifteen percent (3 respondents out of 20) cited transportation problems as the reason for going back on FIP. For a full list of reasons for returning to FIP at the two-year mark see Table 3 on page 29.

**Healthcare satisfaction:** Two years after exit from FIP, respondents reported that they were significantly more satisfied with their families health care than they were at three months after exit from FIP ( $p < 0.05$ ). Two years after exit from FIP, the average satisfaction level on this item was 1.36 (one equaling “very satisfied” on a scale of one to four). At three months after exit the satisfaction level was 1.61 (closer to somewhat satisfied). See Table 17 for these statistics.

**Table 17**

**Satisfaction with family's health care: Three months and two years after exit from FIP**

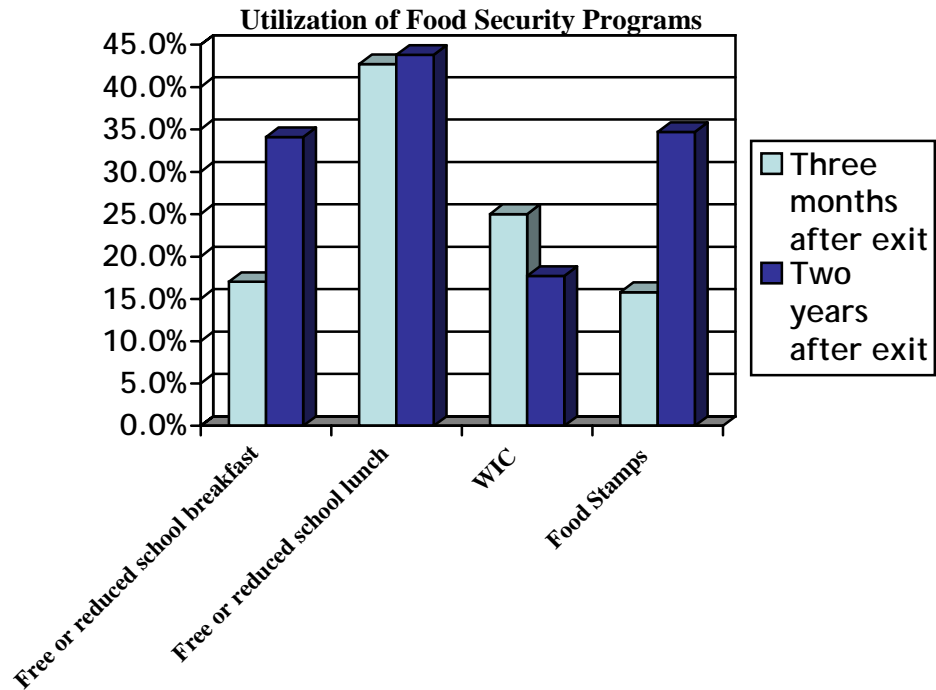
	Mean	N
Satisfaction with family's health care at 3 months after exit	1.61	94
Satisfaction with family's health care at 2 years after exit	1.36	94

t=2.027, p<0.046

**Food security programs and family well-being:** Two years after exit from FIP there was a statistically significant increase ( $\chi^2=23.676$ ,  $p<0.000$ ) in the number of families accessing free or reduced school breakfast in comparison to three months after exit. In contrast there was a statistically significant decrease ( $\chi^2=29.188$ ,  $p<0.000$ ) in the number of families receiving WIC at two years after exit and three months after exit from FIP. (See Chart 11).

There was also a statistically significant change in the number of respondents receiving free or reduced school lunch between three months and two years after exit from FIP ( $p<0.000$ ). However in spite of the statistical significance, the change did not occur in terms of overall percentage changes in utilization of school lunch between the two time periods. See Chart 11.

**Chart 11**



**Table 17**

**School lunch: Direction of change between three months and two years after exit from FIP**

	N	Mean	Sum of
Negative	9 <sup>a</sup>	10.00	90.00
Positive	10 <sup>b</sup>	10.00	100.0
Ties	77 <sup>c</sup>		
Total	96		

a. Not receiving school lunch at 2- year mark, but receiving at 3-month mark

b. Receiving school lunch at 2-year mark, but not receiving at 3-month mark

c. Receiving school lunch at both time periods

To better understand this phenomenon a Wilcoxon Signed Ranks test was run. The results of that test indicated that 77 out of 96 respondents showed no change in the receipt of free or reduced school lunch between three months and two years after exit from FIP. In 10 out of 96 cases, respondents were receiving free or reduced school lunch at two years after exit but not at three months after exit. In nine out of the 96 cases, respondents were receiving free or reduced school lunch at three months after exit but not at two years after exit from FIP. (See Table 18 on the previous page).

**Food stamps.** As stated earlier (see page 35), a total of 17 percent of respondents were receiving food stamps three months after exit from FIP. In contrast, 34.1 percent of respondents were receiving food stamps two years after exit from FIP, a statistically significant increase of 17.1 percentage points ( $\chi^2=6.219$ ,  $p<0.01$ ). For those participants not receiving food stamps, the following reasons were specified; 30 out of 39 respondents who answered this question reported that their income was too high to qualify (76.9%); five respondents never applied for food stamps (12.8%); three respondents applied and were waiting for approval (7.7%); and one participant did not meet residency requirements (2.6%).

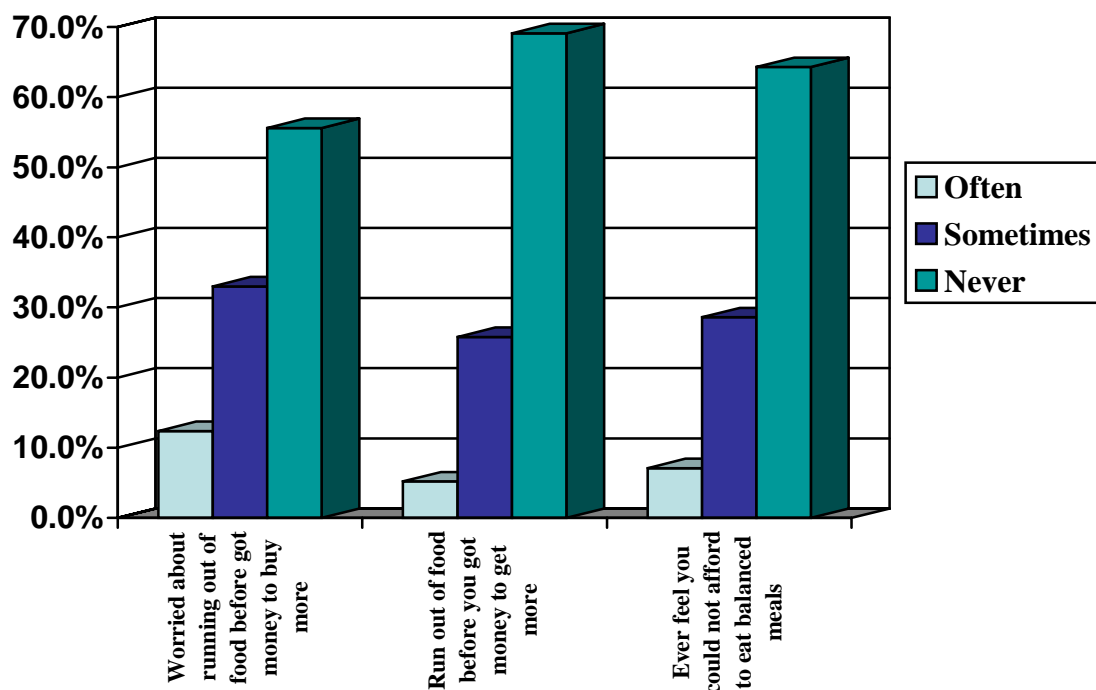
**Perceptions of food security.** When asked if they have ever worried about whether or not they would run out of food before they got money to buy more, more than half, 53 out of 97 respondents (54.6%) reported that they never worried they would run out of food before getting money to buy more. When asked if they had actually run out of food and

did not have the money to buy more, again more than half of the respondents (69.1%) reported that they never ran out of food and could not afford to buy more.

Respondents were asked if they ever felt that they could not afford to eat balanced meals during the past year. Sixty-three out of 98 respondents (64.3%) answered that they never felt that they could not afford to eat balanced meals during the past year. Chart 12 shows respondents perception of food security during the past 12 months.

**Chart 12**

**Perceptions of Food Security Programs**



As can be seen in Table 19 on the following page, 89.8 percent of respondents said that their family had enough food to eat during the past six months. Of those, 43.9 percent said that the food was the kind they wanted to eat; 45.9 percent said it wasn't always the

kind of food they wanted to eat, and 10.2 percent said that sometimes they did not have enough to eat.

**Table 19**

**Statement that best describes food eaten in the past 6 months: Two years after exit from FIP**

	Frequency	Percent
Had enough to eat, of kinds of food we want	43	43.9
Had enough to eat, not always the kind of food we want	45	45.9
Sometimes do not have enough to eat	10	10.2
	98	100.0

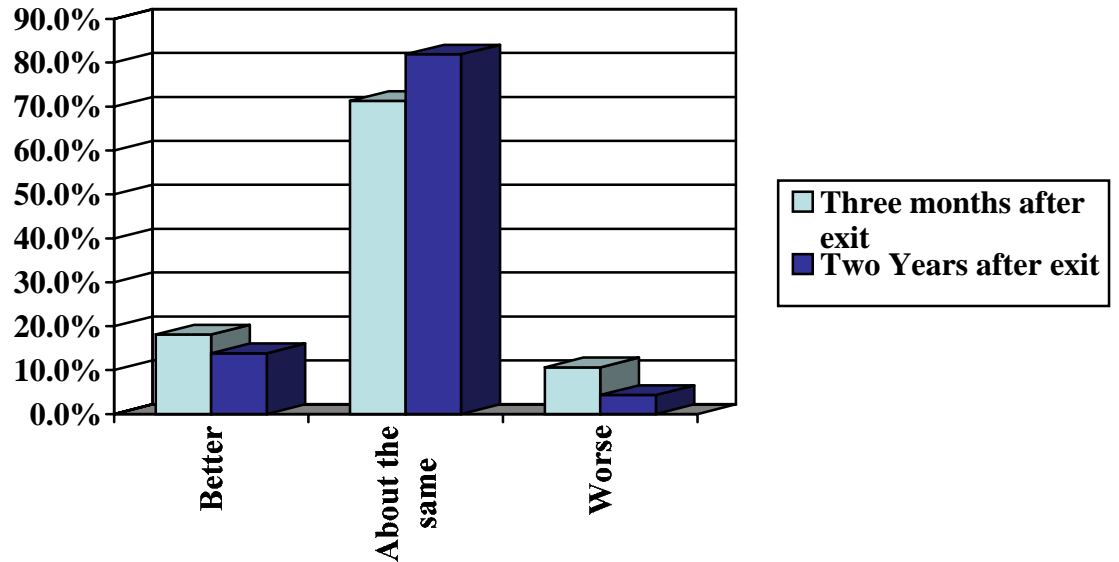
### **Housing factors related to family well-being**

**Housing satisfaction:** When asked at two years after exit from FIP how they would rate their current housing situation as compared to three months earlier (18 months after exit from FIP) the majority of respondents reported that it was about the same. This question was also asked at three months after exit from FIP. A paired sample t-test did not show any significant change in respondents' mean level of housing satisfaction between three months and two years after exit ( $t=0.293$ ,  $p>0.77$ ). See Chart 13.



**Chart 13**

**Housing satisfaction levels: Two years and three months after exit from FIP**



**Moved since last interview:** At two years after exit from FIP, 18 respondents reported having moved since the previous interview, and one of these respondent reported having moved twice. As can be seen in the following table, the two most frequently stated reasons that respondents gave for moving were “moving to a better location” and “moving from a relative’s home.” See Table 20.

**Table 20**

**Reasons for Moving**

	Frequency	Valid Percent
Evicted/eviction notice coming	1	5.9
Place too small	1	5.9
Family problems	1	5.9
Landlord problems	2	11.8
Heating too high	1	5.9
Disrepair problems	1	5.9
Moved from relative's home	3	17.6
Purchased a home	1	5.9
Moved to better location/home	3	17.6
Other	3	17.6
Total	17	100.0

**Housing payments:** At the two-year mark, 92 respondents answered the question “In the past 12 months, have you gotten behind in rent or house payments?”. Eleven (12%) reported that they were always behind on their rent or house payments; 27 (29.3%) reported that they sometimes got behind, and 54 (58.7%) respondents reported that they were never behind in their rent or house payments in the past 12 months.

Of the 38 respondents who reported that they had gotten behind in their rent or house payments in the past 12 months, 36 (94.7%) said that it did not result in an eviction within the past year. Two respondents (5.3%) reported that falling behind in their rent or house payments did result in an eviction in the past year.

When asked if they had gotten behind in any utility bills within the past 12 months, 15 out of 88 respondents (17%) reported that they were always behind on their

utility bills during the previous 12 months. Thirty four (38.6%) respondents stated that they had sometimes gotten behind in their utility bills within the previous 12 months; 39 (44.3%) reported that they had never been gotten behind in their utility bills in the past 12 months. Fifteen respondents out of 86 (30%) reported that falling behind in their utility bills had resulted in an actual shut off. Two respondents out of 92 (2.2%) reported that they had gone to a shelter within the past year.

### **Child well being**

**Childcare:** At the two-year mark, 20 percent (four respondents out of 20) cited childcare problems as a reason for going back on FIP. These results were higher than the fourth quarter after exit (one-year mark), when 13.6 percent (three out of 22 respondents) reported lack of childcare as a reason for being on FIP. This change was not statistically significant ( $p>0.80$ ). The reports of child care problems as a reason for being on FIP were compared from the first quarter after exit and the two year mark, and then again from one year after exit from FIP and two year mark in a paired sample t-test, to determine whether there was a statistically significant change from year to year, or correlation between summer and winter months. The sample, however, was too small to perform this test.

Eleven respondents out of 43 (25.6%) reported that a lack of childcare was a barrier to their being employed at the two-year mark.

Five respondents out of 20 (25%) reported that they returned to FIP because of a family crisis. Four respondents out of 20 (20%) reported that they went back on FIP because they became pregnant or had a baby.

**Childcare benefits, subsidies, and co-payments:** Two years after exit from FIP, 3.8 percent (two respondents out of 53) received childcare as a benefit from their employer. This was a statistically insignificant change from the 6.3 percent (four out of 64 respondents) who received childcare as an employer benefit at the one-year mark ( $p>0.14$ ).

Twenty-five FIP leavers out of 135 (18.5%) received a state childcare subsidy at the two-year mark, according to their case record review. According to administrative data, 20 respondents were assessed co-payments for childcare. Their co-payment amounts are as follows:

- Eight respondents (40%) paid \$0.00 per week
- One respondent (5%) paid \$4.00 per week
- Two respondents (10%) paid \$7.00 per week
- One respondent (5%) paid \$12.00 per week
- One respondent (5%) paid \$13.00 per week
- Three respondents (15%) paid \$19.00 per week
- Three respondents (15%) paid \$25.00 per week, and
- One respondent (5%) paid \$50.00 per week.

**Types of childcare:** Fifty-four respondents out of 98 reported 61 possible scenarios for where their child was cared for while they participated in work, education, or training. In terms of their childcare arrangements, 42.6 percent (26 respondents) reported that their child or children were enrolled in a pre-school, Head Start, school or a childcare center. Another 27.9 percent (17 respondents) reported using childcare in someone else's home

(including a licensed childcare provider). Family daycare was reported to be utilized by 13.1 percent (8 respondents), and 6.6 percent (four respondents) reported that their child or children participated in an after-school program. A remaining 9.8 percent (6 respondents) said that they had “other” arrangements. These arrangements can be seen in Table 21.

**Table 21**

**Where leavers’ children are cared for while the parent is at work, looking for a job, or in an education/training program**

<b>Where child is cared for</b>	<b>N out of 54 (%)</b>
Preschool, Head Start, school or childcare center	N=26 (42.6%)
In someone else’s home (including licensed childcare provider)	N=17 (27.9%)
In home (family daycare)	N=8 (13.1%)
After school programs	N=4 (6.6%)
Other	N=6 (9.8%)

**Sources of income related to children:** Respondents were asked to report sources of household income related to children, namely, whether or not they received child support, income from providing foster care, or income from providing childcare. At the two-year mark, 27.6 percent (27 of the respondents who answered this question) reported receiving child support as a source of income. During the same time period, no one was receiving money from providing foster care. One respondent (.7%) reported receiving money for providing childcare. To see a complete list of sources of income, please refer to Table 6, page 32.

**Parents' satisfaction with their relationship with their children:** Two years after leaving FIP, respondents on average were very satisfied with the quality of their relationship with their children (mean=1.16 on a scale of one (very satisfied) to four (very dissatisfied)). At the two-year mark, more than four-fifths of the sample (86.6%, 84 out of 97) reported being very satisfied with the quality of their relationship with their children. Eleven respondents (11.3%) reported being somewhat satisfied. One respondent reported being somewhat dissatisfied, and one respondent reported being very dissatisfied with the quality of their relationship with their children. These statistics were compared to the first three months after exit from FIP, in a paired samples t-test, but showed no statistically significant change in parents' levels of satisfactions with their relationships with their children ( $t=.564$ ,  $p>.57$ ). Please refer to Table 22 for comparison.

**Table 22**

**Parents' satisfaction levels at the three month and two year after exit from FIP**

<b>Item</b>	<b>Mean at three months</b>		<b>Mean at two years</b>		<b>p.</b>
Satisfaction with relationship with children	1.22 (N=133)	Very satisfied	1.16	Very satisfied	> 0.57
Satisfaction with children's school performance	1.5 (N=106)	Very satisfied	1.30	Very satisfied	> 0.10
Satisfaction with children's quality of life	N/A	N/A	1.48	Very satisfied	N/A

**Satisfaction scale**

1= very satisfied 2= somewhat satisfied 3= somewhat dissatisfied 4= very dissatisfied
--

**Parents' satisfaction with children's quality of life:** On average, two years after leaving FIP, parents were very satisfied with their children's quality of life (mean=1.48 on the same scale of one to four). At the two-year mark, the majority of respondents (62.2%, 61 out of 98) reported that they were very satisfied with their children's quality of life. Twenty-nine respondents (29.6%) reported being somewhat satisfied. Six respondents (6.1%) reported being somewhat dissatisfied, and two respondents (2.0%) reported being very dissatisfied with their children's quality of life. These statistics could not be compared with the responses from the three-month mark because this question was not posed on the initial instrument.

**Parents' satisfaction with how children are doing in school:** On average, parents were very satisfied with their children's school performance (mean=1.30 on the same scale of one to four). More than three-fourths of all respondents (77.9%, 67 out of 80) reported being very satisfied. Fourteen respondents (16.3%) reported being somewhat satisfied. Three respondents (3.5%) reported being somewhat dissatisfied, and two respondents (2.3%) reported being very dissatisfied. These statistics were compared to the results of the three month after exit mark in a paired samples t-test. The results of this test were statistically insignificant ( $t=1.657$ ,  $p>.10$ ). Please refer to Table 22 on page 62 to view comparisons.

**Additional issues related to children:** Additional data collected investigated whether or not respondents had moved since the last interview (six months prior), and what their reasons were for moving. Although 18.6 percent (18 respondents out of 98) reported that they had moved since the last interview, no one related their reason for moving to either the categories of "needs of children" or "lead paint". A complete list of reasons given for moving can be seen in Table 20 on page 58.

Other factors that could affect child well being were family problems, disrepair problems, and moving to a better location/home. One respondent each (5.9%) reported family problems and disrepair problems. Three respondents (17.6%) reported moving to a better home/location.



This study also looked at conditions in the home which could have an impact on child well being. These conditions and their results are as follows:

- Broken windows 14.4 percent (n=14)
- Rats or roaches 8.2 percent (n=8)
- Problems with water 8.2 percent (n=8)
- Lead Paint 7.2 percent (n=7)
- No smoke detector or broken smoke detector 5.2 percent (n=5)
- Problems with heat 4.1 percent (n=4)
- Asbestos one percent (n=1)
- Broken stairs one percent (n=1)

There was no statistically significant relationship between any of these conditions and whether or not the respondent lived in subsidized housing. When respondents were asked if anything had been done to remedy any of the above housing problems, 16 respondents (44.4%) reported that the problem had been addressed. Nineteen respondents (52.8%) reported that nothing had been done to address their housing problems.

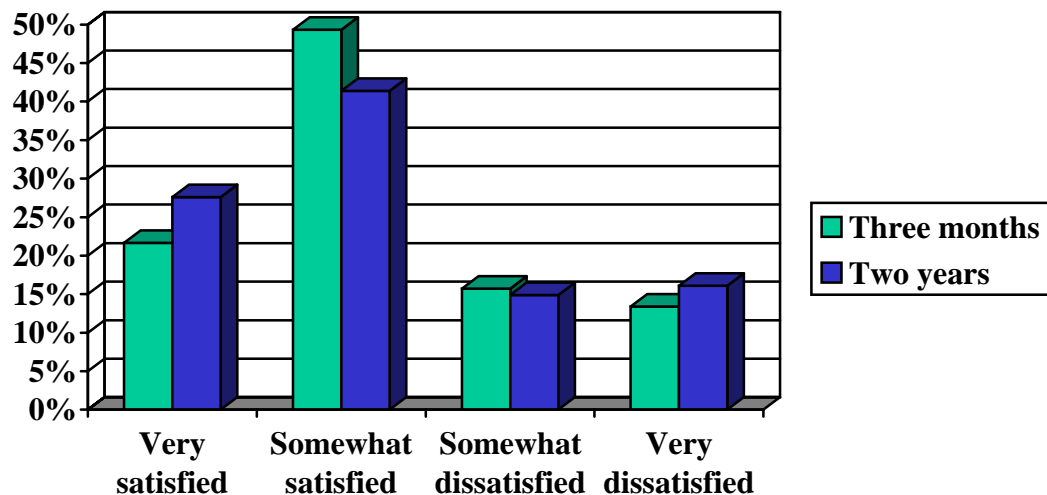
### **Satisfaction levels**

**Respondents overall satisfaction with their lives:** Respondents were asked about their overall satisfaction with their life at each time of interview. Eighty-seven respondents out of 98 answered this question at the two-year mark. Twenty-four (27.6%) responded that they were very satisfied with their lives in general. Thirty-six respondents (41.4%) answered that they were somewhat satisfied with their lives in general. Thirteen respondents (14.9%) reported that they were somewhat dissatisfied, and 14 respondents

(16.1%) reported that they were very dissatisfied with their lives in general. A paired sample t-test was run to determine if there was a statistically significant change in satisfaction between the three-month mark, (when 29 respondents (21.6%) reported they were very satisfied, 66 (49.3%) reported they were somewhat satisfied, 21 (15.7%) reported being somewhat dissatisfied, and 18 (13.4%) reported being very dissatisfied with their lives) and the two-year mark. The results of this test were not statistically significant ( $t=.564$ ,  $p>.56$ ). The results and comparisons of these satisfaction levels can be seen in Chart 14.

**Chart 14**

**Overall Satisfaction with Life in General**



Respondents were then asked to qualify their level of satisfaction or dissatisfaction. Most respondents gave between one and three reasons for their overall satisfaction with life in general; therefore there is duplication in some responses among the different categories.

Of the respondents who reported that they were "very satisfied" with their lives, 13 responses (47.1%) associated this satisfaction to the health and happiness of their children and families. Seven (25.4%) responded that they were "very satisfied" due to good work and income situations. Three respondents (11.1%) reported that they were "very satisfied" because of their housing situation. One respondent stated, "If you've gone without, you appreciate the little things more. [I'm] grateful for the free summer camp for my son."

The respondents who reported that they were "somewhat satisfied" reported more problematic situations in addition to general satisfaction. For example, six (14.5%) reported that they were satisfied with the health and happiness of their children and families, but another five (12.1%) reported that their family situations were troublesome (e.g., they couldn't take care of their family to the extent they would like to, their spouse had been in an accident, a child was in the training school, etc.) Twelve respondents (29%) noted that they had problems with income (e.g., working enough, paying bills, finding a job). Six respondents (14.5%) reported that they were unhappy with their housing situation. Four respondents (9.7%) reported that they would like to have more opportunities for education and training. One person reported she was "somewhat satisfied" because, "[I] used to be depressed and stay at the house all the time. Now [I] went to college and have a job [I] like."

In the category of "somewhat dissatisfied" with their lives in general, seven responses (47%) related to not having enough money. Five respondents (33.6%) mentioned that they had problems related to housing. Three respondents (20.2%) reported dual problems with both money and housing concurrently. There were three

(20.2%) responses related to problems related to work. Additionally, one person each (6.7% for each response) reported problems in the following areas: depression, injury, and bad credit.

A number of concerns were noted among respondents who said that they were "very dissatisfied" with their lives. Six respondents (37.3%) replied that they were dissatisfied with their work scenario. Another five (31.1%) reported that they had trouble with money and income (e.g., not having enough to get by, not being able to pay bills or provide necessities for children). Five responses (31.1%) related to respondents having serious health problems that prevented them from being able to work or take care of their families. Additionally, one respondent each (6.2% for each response) reported that they had the following issues that caused dissatisfaction in their lives: marital problems, problems accessing education, and depression.

### **Additional qualitative information**

**Participants' desires for additional programs:** Respondents were also asked a qualitative question regarding programs they would find helpful to them and their families. Forty-one interview participants out of 98 responded to this request for information. The largest desire was for program development related to education and training. Eleven respondents (26.8%) reported that they would like more assistance in this regard. Ten respondents (24.4%) reported that they needed more help with housing (e.g., finding housing, Section 8, rental assistance, first time home-buyer's assistance, etc.). Six respondents (14.6%) said that they wanted food stamps. Five respondents (12.2%) said they would like better health and dental programs. Five respondents

(12.2%) also reported that they wanted better assistance with childcare. Another five respondents (12.2%) said that they would like to see more programs for youth (e.g., Americorps program, summer camps, exercise programs).

### **Overall findings of the study**

**Summary:** The percentage of respondents receiving FIP increased significantly from three months after exit to two years after exit from FIP. This two-year period also saw an increase in total monthly household income, with employed participants having higher incomes than their unemployed counterparts. Less than half of all respondents had incomes that placed them above the Federal Poverty Level (FPL) at both three months and at two years after exit. The average hourly wage for employed participants above the FPL was \$11.54. On average for participants with housing expenses in this study, 31.2 percent of the total monthly household income goes towards housing costs.

The number of employed respondents dropped significantly (13.3 percentage points) from three months after exit to two years after exit from FIP. Looking at employment history, the respondents who were employed at two years after exit from FIP had fluctuating employment histories throughout the two-year period of this study.

In regards to the average hourly wage, there was a significant increase of \$1.26 from the three-month mark to the two-year mark. There was no significant difference in regards to the average weekly hours worked at three months after exit from FIP and the two-year mark. Two years after exit from FIP, the average hours worked weekly was 36.9, in comparison with 37.2 hours worked weekly at the three-month mark.

Service occupations, clerical work, and health services were the three most frequently reported types of employment at the two-year mark. The most frequently cited barriers to employment reported by respondents two years after exit were that they couldn't find a job, couldn't find a better job, and that local job availability was lacking. Respondents also cited lack of childcare and poor health as barriers to employment.

There was no significant correlation between respondents' education level at baseline and whether or not they were employed at the two-year mark. However, there was a statistically significant relationship between education level and hourly wage. On average, respondents who had completed an associate's degree or higher at baseline were making a higher wage than the respondents who had a lower education level.

In the areas of this study that pertained to family well-being, overall, respondents indicated satisfaction. Almost all former FIP beneficiaries who were working reported that they were either very or somewhat satisfied with their current job. The majority (35 out of 54) also felt that their current job provided adequate income to support their families.

There were statistically significant increases in the number of respondents receiving health care and sick leave from their employers. Respondents on average were satisfied with the quality of their family's health care at the two-year mark. In regards to food security, respondents overall did not feel that their families were food insecure. Food stamp utilization showed a significant increase between three months after exit from FIP and the two-year mark.

In terms of housing indicators, 35.3 percent of respondents who reported that they had moved said they had done so to be in a better location, or to move from a relative's

house. More than half of the respondents (54 out of 92) reported that they had never gotten behind in their housing payments in the past twelve months.

Regarding child well-being, one-fifth of respondents reported that childcare problems was a reason for their going back on FIP at the two-year mark. Although these results were higher than at the one-year mark, there was no statistically significant change. A quarter of the respondents who cited barriers to employment reported that lack of childcare hindered their employment status at the two-year mark. Only two respondents out of 53 received childcare as a benefit from their employer, and there was no statistically significant change in this variable from a year earlier in the study.

According to administrative data, 25 leavers out of 135 received a childcare subsidy, and 20 respondents were assessed a co-pay. Co-payment amounts for childcare ranged from zero dollars per week to \$50.00 per week, but the majority paid between zero and \$7.00 per week for childcare.

On average, two years after exit from FIP, respondents were very satisfied with the quality of their relationship to their children. These results were consistent with the findings in relation to this variable at the one-year mark. Parents also reported being very satisfied with their children's overall quality of life, and school performance at the two year mark. The results of these variables were also consistent with the findings at the one year mark.

In addition to having high satisfaction levels in regards to their children, the majority of leavers at the two-year mark reported being either "very satisfied" (27.6%), or "somewhat satisfied" with their lives overall (41.4%). There was no statistically significant change in satisfaction levels between leavers at three months after exit from

FIP and at the two-year mark. Leavers who reported that they were “very satisfied,” most often attributed their satisfaction to the health and happiness of their families and children. Leavers who were “very satisfied” also reported good working and housing scenarios. Leavers who reported that they were either “somewhat dissatisfied,” or “very dissatisfied” with the quality of their lives two-years after exit from FIP, often stated lack of money, poor housing scenarios, and also problems related to finding or keeping work.



## **Discussion**

In their 2002 study of Rhode Island welfare leavers, Lockwood and Ryan stated that “with the reauthorization of the federal cash assistance program, TANF. . . indicators of successful welfare reform programs are imperative” (p.47). Findings from the 2003 study of Rhode Island welfare leavers two years after their exit from FIP contains some such indicators. It is encouraging, for example, to note that leavers are consistently experiencing high satisfaction levels with the quality of their and their children’s lives. There are, however, implications for further investigation regarding welfare reform and its success.

**Economic Well-being:** Between the “official” start of the recession in March 2001 and September of 2002 (which marks two years after exit from FIP for this study’s leavers), most, but not all, states have experienced a caseload increase. In contrast, Rhode Island’s caseload decreased from 15,245 to 13,723 (-10.0%), the ninth largest decrease in the country (Richer, Rahmanou, Greenberg, 2002).

Although the numbers of FIP beneficiaries in the state as a whole has been decreasing, the number of ‘leavers’ receiving FIP in this study has increased over time. Two years after exit from FIP, 35 out of 135 participants were receiving FIP payments (25.9%), an overall increase from the 11 out of 135 participants who were active FIP beneficiaries at three months after exit from FIP (8.1%). While the large majority of the participants (73.3%) had the same FIP status at both three months after exit from FIP and at two years (99 out of 135), six out of the 11 respondents who were receiving FIP at the

three month mark were not receiving FIP two years after exit, and 30 participants who were not FIP beneficiaries three months after exit had returned to FIP two years after exit.

This increase in the number of FIP beneficiaries over time, as well as the fluctuation that is evident within individual cases, provides evidence that even when beneficiaries leave FIP, there is a fair chance that they will ‘cycle’, returning to the welfare system. Although FIP caseloads have decreased in RI (Richer, Rahmanou, Greenberg, 2002), it may be worth further investigating ways in which former beneficiaries can be assisted in avoiding return to FIP.

The most frequently reported reason for returning to FIP was loss of a job. Sixty percent of leavers who returned to FIP cited this loss of employment as a reason, a perhaps unsurprising fact in light of the state’s increased unemployment rate. When participants were interviewed two years after exit from FIP, RI’s seasonally unadjusted unemployment rate was 5 percent, a full percentage point higher than the quarter in which the study began (July, August, September 2000) (Department of Labor & Training, retrieved 2003). As the economy and employment continue to stagnate, attention might be given to assisting former FIP beneficiaries to maintain employment.

It is encouraging to note that the average total monthly household income including food stamps has changed significantly from the three month to the two year mark, increasing \$458.78 to \$2,014.67. This increase occurred in spite of the decrease in employment reported by participants. A closer look at the direction of change of participants’ average total monthly household incomes helps shed some light on this. While 61 people had an increase in total household income, 34 people experienced a decrease. It seems that many leavers are doing quite well, experiencing a rather large

increase in income, while a sizeable minority (35.7%, 34 out of 95), are experiencing a decrease.

The majority of participants (61.1%) had total monthly household incomes including food stamps that placed them above the federal poverty level at two years after exit from FIP. However, less than half of all participants (42.1%) had total monthly household incomes above the federal poverty level (FPL) at both three months and at two years after exit. A full three-quarters (75.0%) of those participants who were not receiving FIP two years after exit were above the FPL. In contrast, only one participant who was receiving FIP during this same time period had an income that placed the family above the FPL (4.5%).

This finding should not be surprising, as the cash amount paid to FIP beneficiaries has not increased in 13 years. The maximum monthly FIP benefit for a family of three with no earned income is \$554 per month. Including an additional \$350 per month in food stamps, this monthly income is 75 percent of the federal poverty level (Rhode Island KIDS COUNT Factbook, 2003).

Participants whose total household income was above the federal poverty level two years after exit had an average hourly wage of \$11.54, while participants whose incomes were below the federal poverty level earned on average \$7.53 per hour, a statistically significant difference of \$4.01. It should be noted that although the hourly wage of \$7.53 is above RI's minimum wage of \$6.15, it is still not enough to bring these participants over the federal poverty level, even with the inclusion of food stamps. As will be discussed further in the following section, additional research into and

consideration of increasing the minimum wage to a level that will lift families out of poverty is warranted.

Housing is considered affordable if it costs less than 30 percent of a family's income. Nationwide, the percentage of families with unaffordable housing has increased from 15 percent to 28 percent over the last thirty years (Rhode Island KIDS COUNT Factbook, 2003). Two years after exit from FIP, participants in the study who reported housing costs paid an average of \$617.33, including heat and utilities. This amount is 31.2 percent of their average total monthly household income including food stamps, just out of the range of affordable.

Rhode Island is said to be facing a housing crisis, with an estimated 34,913 affordable units for Rhode Island's 162,960 low and moderate-income households (S.H.A.C., 2003). The average monthly cost of renting a two-bedroom apartment has increased from \$589 in 1990 to \$863 in 2002 (Rhode Island KIDS COUNT Factbook, 2003).

The average monthly housing cost reported by participants is lower than \$863. This is most likely due to the fact that thirty out of 98 respondents (30.6%) reported living in either subsidized, public, or section 8 housing, a figure very close to the national average for families receiving TANF benefits (Sard, 2002). Unfortunately for those who are not currently receiving housing assistance, the average wait for Section 8 vouchers in RI is almost five years (Rhode Island Coalition for the Homeless, retrieved 2003). Research supports that housing assistance helps poor families avoid economic hardship (Meyers et al., 1995, cited by Beverly, 2001), and that families who have left welfare and

receive housing assistance have higher employment rates and incomes than those without it (Zedlewski, 2002).

Respondents in our study frequently cited housing as a reason for their level of satisfaction or dissatisfaction with their lives in general. Three respondents (11.1%) reported that they were “very satisfied” because of their housing situation. For those respondents who reported they were “somewhat satisfied”, six respondents (14.5%) said they were unhappy with their housing situation. In the “somewhat dissatisfied” category, five respondents (33.6%) mentioned that they had problems related to housing, and an additional three respondents (20.2%) reported dual problems with both money and housing concurrently. When asked what additional programs they would find helpful for themselves and their families, ten participants (24.4%) reported that they needed more help with housing.

The importance of housing assistance is well-supported by research and echoed by the participants in this study’s qualitative answers, yet RI is currently in a situation where it is not meeting the housing assistance needs of its low-income population. The President’s fiscal year 2004 budget may well worsen the situation, leaving 137,000 previously authorized vouchers unfunded, and imposing minimum rent requirements on families who may currently have a hardship redemption. An analysis by the Center on Budget and Policy Priorities concludes that Congress should increase the program’s funding level above the Administration’s request (Center on Budget and Policy Priorities, 2003).

**Employment:** Employment rates at the two-year mark dropped 13.3 percentage points from three months after exit. This decrease in employed participants could be due to multiple factors such as the national and local economy, seasonal employment and barriers to employment. The nation has been in a recession since March of 2001 and the study began in October 2000. This means that the participants in the study have felt the impact of the recession. According to the Providence Journal (Feb 2002) between 14,000 and 15,000 Rhode Island residents in the state lost jobs during 2002.

Unemployment in Rhode Island has increased steadily through the time period of the study, October 2000 to August 2002 (RI Dept of Labor and Training, 2003). The employment history of the participants shows that there are slight changes in employment at different seasons through the year. According to the Rhode Island Department of Labor and Training, the not seasonally adjusted unemployment rates were higher in the Winter 2001 by an average of 5.3 percent and by an average of 5.7 percent in Winter 2002.

When looking at the employment rates of the participants who were employed at the two-year mark, their employment was lowest during the winter months. In the winter of 2001 and 2002 the employment rates were lower (at 79% and 88% respectively) than the summer of 2001 (at 94 percent). According to Christner (2002) there are many seasonal jobs that are open to unskilled, inexperienced workers.

The respondents stated that finding a job or finding a better job and local job availability were the biggest barriers to employment. These barriers are consistent with the current economic climate. At least 30,000 Rhode Islanders commute to Massachusetts for jobs in high growth industries (Providence Journal 2001). These jobs are not

accessible for FIP leavers due to the fact that 21 percent of respondents cited transportation as a barrier to employment.

The one job area that gained jobs is the service occupation (Christner 2002). The service occupations employ the highest number of study participants at the two-year mark. According to the Jarchow (2002), the service occupations offer some positive and negative aspects for employees. There is a nontraditional work schedule making transportation and childcare arrangements difficult. The service occupations pay low wages (mean hourly wage of \$9.21), and offer little opportunity for advancement. This industry also offers little in benefits since the turnover rate is high (Jarchow 2002). These findings indicate that FIP leavers need access to jobs that offer full time employment, in higher wages jobs, and year round, permanent positions.

The hourly wage on average for study participants has increased from \$9.69 at three months after exit from FIP to \$10.95 at the two-year mark. This is higher than the RI minimum hourly wage, which is \$6.15 an hour. This is a positive result and shows that leavers are making more money an hour on average than they were at the beginning of the study. However, according to Christner (2002), the Poverty Institute estimates that a single parent with two children would need to make \$19.30 an hour to adequately provide for their family, without subsidies like cash assistance, childcare, and health insurance. Therefore it is suggested that the Federal and State tax structures look at offering subsidies, including increasing the EITC (Earned Income Tax Credit) for low income wage earners in order to keep them above the Federal Poverty Level.

The participants in this study work an average of 37 hours per week. Leavers work full time hours at low wage jobs and they are still not able to make ends meet. This

information suggests there needs to be an increase in higher wage jobs that can be accessed by these and other low income families.

**Education and Training:** Higher education levels at baseline correlate with higher hourly wage at the two-year mark. The respondents who completed an Associate's degree or higher made \$15.00 an hour, on average at the two-year mark. The respondents who had a high school diploma made \$9.32 an hour. According to the 2002 Rhode Island Kids Count, earnings increase dramatically with education level. In the year 2000 people without a high school diploma had a median household income of \$12,478 and individuals with a Bachelor's degree had a median household income of \$36,512. In this study there was no statistical significance between baseline education level and whether or not respondents were employed at the two-year mark. However, there was a statistically significant association between educational level and hourly wage. According to the Rhode Island Kids Count Fact Book (2002), those who leave welfare with training or education in Rhode Island are less likely to be poor, more likely to be employed, and more likely to retain employment than former welfare recipients nationally.

Programs need to be enhanced to assist FIP participants in receiving higher education and employment training. Time limits for education and training should be extended in order to allow participants to complete educational programs anytime during their five year FIP time period.



**Family well-being:** The majority of respondents (92.6%) reported satisfaction with their current job. Only four out of fifty-four (7.4%) said that they were very dissatisfied with their employment. These are interesting results considering that over one-third of respondents (39%) reported service occupations as their type of employment. As stated earlier the service industry typically poses challenges such as non-traditional work schedules, low wages, and little opportunity for advancement (Jarchow, 2002). Job satisfaction is important for job retention, which in turn maximizes self-sufficiency. These high levels of satisfaction may be attributed to the fact that while most states have focused on “work first” policies which serve to push former welfare recipients into the first available job (Anderson & Gryzlak, 2002), Rhode Island has taken the unique approach of emphasizing families first rather than work first. It is interesting to note that while 92.6 percent of respondents reported job satisfaction, only 64.8 percent reported that their current job provided adequate income to support their families. As stated previously, the average hourly wage of \$10.95 per hour is not enough to make ends meet for a family of three. Additionally, these results correlate with the qualitative data of this study in which respondents who reported that they were somewhat satisfied, somewhat dissatisfied, or very dissatisfied with the overall quality of their lives related their dissatisfaction to statements regarding lack of income and poor job availability.

Fringe benefits such as paid sick leave and vacation days are important particularly for single parents who must care for their children when they are sick. According to Jarchow (2002), half of those leaving welfare for work have jobs that offer such benefits. Another study of four states (Arizona, New Jersey, Virginia, and Washington) showed that the percentage of former welfare beneficiaries receiving

employer health insurance is even lower, ranging from 20 percent to 28 percent (Anderson and Gryzlak, 2002).

The results of this study suggest that Rhode Island leavers are faring better than leavers in other states. The percentage of respondents receiving paid sick leave is 55.6 percent; 66.7 percent received paid vacation time, and 41.7 percent were receiving healthcare from their employer. Additionally, 36.4 percent of respondents reported that their employer provided maternity, paternity, or family leave. It should be noted, however, that the majority of respondents are not receiving health insurance through their employer. While the majority of respondents reported receiving sick leave and paid vacation there are still significant numbers of respondents not receiving these benefits.

Another area of high satisfaction among leavers is healthcare. Respondents reported that they were more satisfied with their family's healthcare at the two-year mark than they were at three months after exit from FIP. As stated earlier, the majority of employed respondents were not covered by employer sponsored health insurance. This high level of satisfaction may be attributed to the fact that over the past decade the effect of decreased access to employer-sponsored insurance has been lessened by increased access to public insurance or Rite Care (RI Kids Count, 2003).

Food stamp utilization among former FIP beneficiaries in Rhode Island has increased every quarter since exit. In addition, this study found that 14.6 percent of respondents wanted and were not receiving food stamps when asked about additional programs they would find helpful. This increase in food stamp utilization among former Rhode Island FIP beneficiaries coincides with steady increases in food stamp caseloads nationally. According to the Congressional Research Services, the number of people

using food stamps reached 20.5 million in December 2002, the highest number in five years (CRS Report, 2003). The Rhode Island Community Food Bank (2002) estimates that 20,000 people are eligible for and not receiving food stamps. Lack of information about eligibility is a barrier to participation in the food stamp program and many working families are unaware that they may be eligible for food stamps (Rhode Island Kids Count, 2003). Since evidence suggests that food security declines when food stamp utilization declines (US Department of Health and Human Services), it is important that food stamp under-utilization be examined in more depth.

Over half of the sample (54.6%) reported they had never worried that they would run out of food before getting money to buy more food. The remainder of this sample (45.4%) reported that they often or sometimes did worry about running out of food. There are concerns about family well-being in over one-quarter of the participants (30.9%) who reported that they had sometimes or often run out of food and did not have enough money to buy more. As pointed out by Rhode Island Kids Count (2002), “under-nutrition during any period of childhood can have a detrimental impact on a child’s cognitive development”. They go on to say that one in three households with children in Rhode Island did not have enough food to meet basic needs at all times during the year in 2000. Given these findings, it is recommended that additional policies and programs target food support programs for low income families.

It is encouraging that there was a statistically significant increase in the number of former FIP beneficiaries participating in the school breakfast program between three months after exit and two years after exit from FIP; however, it is important to note that Rhode Island ranks 33<sup>rd</sup> in the country in participation rates for free or reduced school

breakfast. Only 37 low-income students participate in school breakfast for every 100 students participating in the school lunch program (RI Kids Count, 2002). One of the limitations of this leaver's study is that respondents were not asked the reason for not participating in school breakfast, school lunch, or WIC. Further examination should be given to finding out barriers to participating in these entitlement programs. This is especially important for school breakfast, as low-income students are more likely to arrive at school without an adequate breakfast. Research has shown that students who eat breakfast have fewer behavioral and social problems, as well as fewer absences and improved attentiveness (RI Kids Count, 2002).

Despite the decline in federal housing subsidies over the last decade, and the housing crisis for low and moderate income families in Rhode Island, the majority of respondents (82.3%) reported that they did not feel their housing situation was worsening. A large number of leavers (41.3%) did however report getting behind on monthly housing costs, including two respondents who reported getting evicted for being unable to pay their rent. Given this, the importance of programs such as the weatherization program cannot be under estimated.

**Child well-being:** It is an encouraging sign that parents are consistently reporting high satisfaction levels in regards to their relationships with their children, and with the quality of their children's lives in general. These results are in accordance with what was stated in the Rhode Island College Five-year Longitudinal Study that 90 percent of FIP parents are satisfied with their children's lives, and that leavers' satisfaction levels are higher than stayers (Bromley, 2001).

Another area with hopeful implications regards leavers' high levels of satisfaction with their children's performance in school. More than three-fourths of all respondents (77.9%) reported being very satisfied in this area. In 2002, Lockwood and Ryan reported that 72 percent of respondents were very satisfied with their child's performance in school. Results were not statistically significant between these two time periods; however, they indicate a trend in rising satisfaction levels (60 percent of respondents reported being satisfied at the three-month mark).

It is of interest to note that of the respondents who reported moving, none attributed their move to lead paint hazards within their home. Only 7.2 percent of respondents reported lead paint as a problem in their housing conditions. Child well-being problems linked to lead paint have been reported as a great concern in Rhode Island due to old houses in the area. Rhode Island Kids Count reported that in 2001, eight children were hospitalized for lead poisoning, and that out of 272 inspections performed, only five houses were found to have no lead violations (p. 56).

The Rhode Island Kid's Count Factbook (2002) states that childcare is a fundamental need for Rhode Island families, in keeping with the national trend. This study corroborates this concern, as one-fifth of respondents (20%) cited a lack of childcare as a reason for returning to FIP. Also, lack of childcare was reported by over a quarter of respondents (25.6%) as a barrier to employment. These results reinforce the need to further examine obstacles to employment for leavers, especially women with children. Lens (2002) says that childcare is the foremost barrier to work among "welfare mothers." She also states that, "TANF gives short shrift to the [dual role of nurturer and

provider], dismissing the need for many women to remain at home to care for their families by mandating their participation in the workplace” (Lens, 2002, p. 284).

Despite a number of studies that investigate the effects of welfare reform, there is still limited knowledge about the paths that women leavers take to attain economic well-being (Cancian and Meyer, 2000). The authors of this study also concur with Lockwood and Ryan’s (2000) recommendation that “federal funding for childcare be increased and that TANF funds used for childcare ‘should not be considered assistance, so that federal time limits do not apply’” (Welfare Reform Implementation Task Force, 1/28/02, p. 55).

**Conclusion:** The authors of this study recognize the strength and perseverance of the respondents interviewed. An overwhelming majority reported high satisfaction levels in the areas of housing, jobs, children, and quality of life in general. This study found that some FIP leavers are faring better in terms of hourly wage and total household income. However, there are still participants struggling to make ends meet. Although welfare caseloads have decreased in Rhode Island, this study provides evidence that even when beneficiaries leave the Family Independence Program, there is a fair chance they will return. It is important to investigate ways of assisting former beneficiaries so that they can meet their families’ needs without relying on the welfare system. It is no surprise that as a result of the current recession, employment rates dropped among study participants. In light of RI’s labor market, innovative solutions must be sought so that working families can be supported even during periods of temporary unemployment, without having the pressures of the time clock. One of the things that the ‘cyclers’ have taught us in this study is that sustaining full time, year round employment is difficult for

even the most motivated of families. For those respondents who are currently employed, additional supports, such as expanded benefits through the Earned Income Tax Credit program and childcare subsidies, are necessary for them to thrive outside without FIP.

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